

Also, petition of the Providence (R. I.) Chamber of Commerce, favoring larger salaries for members of the Tariff Commission; to the Committee on Appropriations.

By Mr. SULLOWAY: Petition of Woman's Club of Exeter, N. H., favoring the migratory-bird treaty act; to the Committee on Foreign Affairs.

By Mr. TEMPLE: Petition of citizens of New Castle, Pa., favoring an antipolygamy amendment to the Constitution of the United States; to the Committee on the Judiciary.

Also, petition of 62 citizens of Beaver County, Pa., favoring Christian amendment to the United States Constitution; to the Committee on the Judiciary.

By Mr. VARE: Memorial of Philadelphia Produce Exchange, against change in oleomargarine tax; to the Committee on Ways and Means.

By Mr. WARD: Petition of residents of Chatham Center, Columbia County, N. Y., favoring the submission to the States of a national prohibition amendment; to the Committee on the Judiciary.

Also, petitions of residents of Hensonville, Warnersville, and Cobleskill, N. Y., in favor of a national constitutional amendment; to the Committee on the Judiciary.

By Mr. WASON: Memorial of Baker Memorial Methodist Episcopal Church, of Concord, N. H., representing 500 people, favoring national constitutional prohibition; to the Committee on the Judiciary.

Also, resolutions adopted by the New Hampshire Conference of Charities and Corrections, favoring the prohibition of the liquor traffic; to the Committee on the Judiciary.

Also, memorial of the Concord (N. H.) Woman's Christian Temperance Union, representing 100 people, favoring national constitutional prohibition; to the Committee on the Judiciary.

Also, petition of Mrs. Harriet G. Burlingame and 91 other members of the Exeter (N. H.) Woman's Club, favoring the bill to carry into effect the terms of the treaty between the United States and Great Britain relating to migratory birds; to the Committee on Foreign Affairs.

SENATE.

FRIDAY, February 23, 1917.

(Legislative day of Tuesday, February 20, 1917.)

The Senate reassembled at 11 o'clock a. m., on the expiration of the recess.

Mr. SMOOT. Mr. President, there are but few Senators in the Chamber. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

| | | | |
|-------------|------------------|--------------|----------|
| Ashurst | Hughes | Overman | Smoot |
| Bankhead | Husting | Page | Sterling |
| Brandeggee | James | Pittman | Stone |
| Bryan | Johnson, S. Dak. | Polindexter | Swanson |
| Chamberlain | Jones | Pomerene | Thomas |
| Chilton | Kirby | Ransdell | Thompson |
| Clapp | Lane | Reed | Tillman |
| Colt | Lea, Tenn. | Robinson | Vardaman |
| Culberson | McLean | Sheppard | Walsh |
| Curtis | Martin, Va. | Sherman | Williams |
| Fletcher | Martine, N. J. | Simmons | |
| Hitchcock | Myers | Smith, Ga. | |
| Hollis | Norris | Smith, S. C. | |

The VICE PRESIDENT. Forty-nine Senators have answered to the roll call. There is a quorum present.

PUBLIC BUILDING AT PITTSBURGH, PA.

Mr. SWANSON. From the Committee on Public Buildings and Grounds I report back favorably without amendment the bill (H. R. 18894) to amend the public-building act approved March 4, 1913, authorizing the acquisition of a suitable site for a public building at Pittsburgh, Pa. I ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. Is there any objection?

Mr. SMOOT. I should like to know something about the bill.

Mr. SWANSON. The Secretary of the Treasury has recommended that the right to acquire the building at Pittsburgh, Pa., reserving mineral rights, be granted. Under the general public-buildings act the Government gets title in fee, but in portions of Pennsylvania and even in Pittsburgh where land has been sold they reserve the mineral rights as though there were mineral rights, and it is impossible to get land there with an absolute right to obtain minerals. Consequently, they have been unable to construct a public building at Pittsburgh. The bill simply proposes to waive that right and amend the statute which pro-

hibits the acquisition of any land for public buildings with this reservation.

Mr. SMOOT. Let the bill be read.

The VICE PRESIDENT. The bill will be read.

The Secretary read the bill, as follows:

Be it enacted, etc., That the provision of the public-building act approved March 4, 1913 (37 Stats., 876), which authorizes the acquisition of a suitable site, etc., at Pittsburgh, Pa., be, and the same is hereby, amended so as to add the following proviso, namely:

Provided, That the Secretary of the Treasury may, in his discretion, accept a title which reserves or excepts all ores or minerals on the lands with the right of mining the same."

Mr. SMOOT. There is no appropriation involved?

Mr. SWANSON. None whatever. We have passed a great many bills of this kind relative to sites in Pennsylvania and other mineral States where it is impossible to get a title, unless the mineral rights are waived by the Government.

Mr. SMOOT. All right.

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PENSIONS AND INCREASE OF PENSIONS.

Mr. HUGHES. I desire to call up the conference report on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 19937) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war. The report has heretofore been submitted and appears in to-day's Record.

The conference report was read and agreed to.

Mr. HUGHES. I call up the conference report on the disagreeing votes of the two Houses on the bill (H. R. 18181) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

There being no objection, the Senate proceeded to consider the conference report, and it was read.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

RIVERSIDE MILITARY ACADEMY.

Mr. SMITH of Georgia. There is a little bill on the calendar passed by the House relieving a military institute which was burned down in Georgia from a claim for Government equipment. It is recommended by the department. It has passed the House. They are about to reorganize and recommence work. It is essential that the bill should be passed. It will take but a moment. There is no objection to it. It is unanimously recommended by the Committee on Claims. I ask unanimous consent to call up the bill (H. R. 16855) for the relief of Riverside Military Academy.

Mr. SMOOT. I do not want to object to the consideration of the bill, but I should like to ask the Senator having the unfinished business in charge, if he will not agree to unanimous consent to take up the calendar under Rule VIII for an hour and consider only bills to which there is no objection.

Mr. SIMMONS. In view—

Mr. MARTINE of New Jersey. Will the Senator defer taking up the calendar until I may present a bill?

Mr. SIMMONS. Just one word, please. Last night we took a recess until 11 o'clock instead of half past 10, as has been our custom lately, because the minority were to hold a conference this morning. I am advised that that conference has not yet adjourned. I am perfectly willing under these conditions to take up the calendar, laying temporarily aside the unfinished business until the conference has been finished. I do not desire to call up the revenue bill while the minority Members are absent from the Chamber.

Mr. THOMAS. Does the Senator know how long that will be?

Mr. SIMMONS. A reasonable time.

Mr. SMOOT. It will be understood that only bills unobjected to will be considered.

Mr. SIMMONS. I ask, for that purpose, that the revenue bill be temporarily laid aside.

Mr. FLETCHER and Mr. NEWLANDS. The conference has adjourned.

Mr. SIMMONS. I withdraw the request, as I see the minority Members are coming in. I presume the conference has terminated.

The VICE PRESIDENT. The Senator from Georgia asks unanimous consent for the present consideration of the bill (H. R. 16855) for the relief of Riverside Military Academy.

There being no objection, the bill was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That Riverside Military Academy, at Gainesville, Ga., and its bondsmen be relieved of all responsibility on bond given to the United States by the Riverside Military Academy for the loss of two cutters and their outfits, valued at \$1,608.77, which property was destroyed by a storm on the night of December 31, 1915.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

RIVER AND HARBOR APPROPRIATIONS.

Mr. FLETCHER. I desire to have read a telegram similar to a number that I have received.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The telegram was read, as follows:

Hon. DUNCAN U. FLETCHER,
1627 Sixteenth Street NW., Washington, D. C.:
ANDREWS, FLA., February 22, 1917.

Your letter reached me some time ago, with copy of rivers and harbors bill, which I am sure the great majority of people in our country approve, as it provides for projects already neglected too long, in many instances where delay is not to the credit of our Government or in the interest of economy. Please urge to the utmost passage of this bill, as failure to pass this bill for some other provision providing a lump sum inadequate for needs of the country would be a public calamity.

J. H. DRUMMOND.

PROPOSED EMBARGO ON FOOD PRODUCTS.

Mr. MARTINE of New Jersey. I desire unanimous consent to introduce a bill and to have it properly referred. If I may be permitted, I should like to say just a word in reference to it. It is a bill to conserve the food supply of the United States, and to protect the people from extortionate prices by temporarily prohibiting the export of farm products, and so forth.

The bill (S. 8302) to conserve the food supply of the United States and to protect the people from extortionate prices by temporarily prohibiting the export of farm products, fish, game, and manufactured foodstuffs was read twice by its title.

Mr. MARTINE of New Jersey. Mr. President, I feel that the hour has arrived when, in behalf of cheaper food, the Congress of the United States should act. We read in the newspapers of women engaged in rioting in the city of New York, crying: "We want bread; we are hungry"; in Philadelphia we read of there being one dead and nine injured as the result of the riot, women calling: "We want bread; we are starving." The women were led by Mrs. Florence Shadle, 32 years of age. She carried a baby. In this land of prosperity, wealth, and plenty such a condition should be impossible. I believe there is food enough in this country for every mortal in it, but we are shipping to the warring nations of Europe millions of bushels of wheat, rye, corn, and potatoes, and tons of meat, while our own people starve. Think of it!

While Germany and the allies are battling with their great problems on the field, their citizens are clamoring for food. That they suffer great privation there is no question. But what excuse is there for us, with an abundant supply of every article of food, and when we are at peace with the world, for the existence of such conditions? I say there is none. I hold that it is unpardonable; indeed, Mr. President, it is little, if any, short of a crime.

The loaf of bread is squeezed in size almost to the vanishing point. Potatoes, which in 1916 were sold at \$3.30 per barrel, to-day are selling for \$9.75 per barrel. Onions, which were selling in 1916 at 75 cents per hundred pounds, to-day are selling for \$15 per hundred. Cabbages, which were selling in 1916 for \$9 per ton, are selling in 1917 for \$160 per ton. All other staple commodities are advancing in proportion.

Mr. President, I insist that willful waste is a wrong to the verge of a crime. One may go this very night to the princely restaurants in New York, to the Hotel Waldorf-Astoria, to the Imperial Hotel, or to a hundred others, and he will find revelry and waste going on to an extent and on a scale of extravagance that is alarming. There is no interference or molestation from the police as to them, but in another part of the city at the same time there is being made a demand for bread; there is a bread riot. Two women, Miss Ganz and Mrs. Harris, were pleading with the mayor of New York for food—for bread. I read as follows:

Then came back the old wail that was the dominant note of the curious demonstration: "But these people are starving and want bread." It was Miss Ganz who spoke.

As soon as the committee left the city hall Miss Ganz took up a position on the steps and started to harangue the crowd. She told them the mayor was not in, and cries of displeasure were raised. Then she became more eloquent and was getting down to an old-fashioned "Sweet Marie" address when Inspector O'Brien gave orders that she be arrested.

Miss Ganz was hustled back into the city hall through the rear door and around to the traffic station in the basement. She was charged with disorderly conduct. She was arraigned later before Magistrate

Wyllie in the Tombs police court. She was found guilty, but sentence was suspended. The magistrate advised her to take only small delegations to the city hall when she tries to see the mayor in the future.

In such a situation shall Congress sit mute and be blind to the sufferings of our fellow citizens? I understand that the Government of Great Britain has placed an embargo on our vessels coaling in their ports. Clearly we have a right to retaliate. Mr. President, an embargo on the staple food products will lower the price of these commodities and necessities instantaneously. I have here another list showing the marked advance in the price of food products, which I ask may be printed in the Record.

The VICE PRESIDENT. In the absence of objection, it will be so ordered.

The matter referred to is as follows:

TO ASK AID OF CONGRESS.

At a meeting of 2,000 men and women in the New Plaza Hall, Williamsburg, last night, it was decided to join with all pedlars, retail grocers, and other dealers in foodstuffs in a movement to urge upon Members of Congress the necessity of doing something to reduce the cost of foodstuffs. An overflow meeting attended by 1,000 was held outside the hall. Speakers said protest demonstrations are taking place in many eastern cities.

Joseph Hartigan, commissioner of weights and measures, said wholesale fish prices in Fulton Market, as reported by his inspectors, show increases over 1914 as follows:

| Fish. | Price yesterday. | Price 1914. | Increase. |
|-------------------------|------------------|-------------|-----------|
| Bass..... | \$0.23 | \$0.14 | \$0.09 |
| Bluefish..... | .25 | .08 | .17 |
| Cod (market)..... | .08 | .03 | .05 |
| Cod (steak)..... | .16 | .06½ | .09½ |
| Flounders..... | .09 | .08 | .01 |
| Halibut..... | .20 | .06 | .14 |
| Haddock..... | .08 | .06 | .02 |
| Mackerel (Spanish)..... | .16 | .06½ | .09½ |
| Sea trout..... | .18 | .11 | .07 |
| Salmon..... | .15 | .10 | .05 |
| Sturgeon (lake)..... | .32 | .30 | .02 |

John J. Dillon, State commissioner of foods and markets, said people are now in revolt against a system that he has been fighting. Last year, he said, he tried to sell cabbage in this city for up-State farmers and all he could get was (?) a carload, or just about enough to pay the freight. Farmers became discouraged, he said, and permitted cabbage to rot on the ground. All this emphasizes the necessity of terminal markets where, he said, produce could be sent and sold according to the law and demand.

Mr. MARTINE of New Jersey. I earnestly plead for such disposition of the bill which I have introduced as will ultimately make it the law of the land and relieve this horrid situation.

The VICE PRESIDENT. The bill will be referred to the Committee on Foreign Relations.

NATIONAL MCKINLEY BIRTHPLACE MEMORIAL ASSOCIATION.

Mr. HARDING. Mr. President, I desire to ask unanimous consent of the Senate—

Mr. SIMMONS. I recall that I said to the Senator from Ohio a while ago that I would consent to laying aside the unfinished business long enough to allow him to dispose of the matter he has in mind.

Mr. HARDING. I thank the Senator from North Carolina. I desire to ask that the bill (S. 8222) to amend an act to incorporate the National McKinley Birthplace Memorial Association may be taken up and passed. The bill does no more than to add four names to the original board of trustees. I should like very much to have the bill passed, so as to obtain the sanction of Congress for it.

The VICE PRESIDENT. Is there any objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 8222) to amend an act to incorporate the National McKinley Birthplace Memorial Association, approved March 4, 1911.

The bill had been reported from the Committee on the Judiciary with amendments, to insert, after the enacting clause, the words "That the act entitled 'An act to incorporate the National McKinley Birthplace Memorial Association,' approved March 4, 1911, be, and the same is hereby, amended so as to read as follows:"; and, on page 2, line 18, before the word "section," to strike out the words "the amended," so as to make the bill read:

Be it enacted, etc., That the act entitled "An act to incorporate the National McKinley Birthplace Memorial Association," approved March 4, 1911, be, and the same is hereby, amended so as to read as follows:

That the following-named persons, namely, J. G. Butler, Jr., of Ohio; Myron T. Herrick, of Ohio; J. G. Schmidlapp, of Ohio; John G. Milburn, of New York; W. A. Thomas, of Ohio; Elbert H. Gary, of New York; Charles M. Schwab, of Pennsylvania; George W. Perkins, of New York; and Henry Clay McElldowney, of Pennsylvania, and their associates and successors, duly chosen, are hereby incorporated and declared to be a body corporate of the District of Columbia by the name of the National McKinley Birthplace Memorial Association, and by such

name shall be known and have perpetual succession, with the powers, limitations, and restrictions herein contained.

SEC. 2. That the object of the corporation shall be to perpetuate the name and achievements of William McKinley, late President of the United States of America, by erecting and maintaining in the city of Niles, in the State of Ohio, the place of his birth, a monument and memorial building.

SEC. 3. That the management and direction of the affairs of the corporation and the control and disposition of its property and funds shall be vested in a board of trustees, nine in number, to be composed of the individuals named in section 1 of this act, who shall constitute the authorized board of trustees, on the approval of this act. Vacancies caused by death, resignation, or otherwise shall be filled by the remaining trustees in such manner as shall be prescribed from time to time by the by-laws of the corporation. The persons so elected shall thereupon become trustees and also members of the corporation.

SEC. 4. That said corporation shall hold its meetings in such place as the incorporators or their successors shall determine.

SEC. 5. That the board of trustees shall be entitled to take, hold, and administer any securities, funds, or property, real or personal, which may at any time be given, devised, or bequeathed to them or to the corporation for the purposes herein defined, and to purchase necessary lands for site and to sell and convey by good and sufficient deed any other lands that may be given, devised, or bequeathed to the corporation, and to convert the same into money; with full power from time to time to adopt a common seal, to appoint such officers and agents, whether members of the board of trustees or otherwise, as may be deemed necessary for carrying out the objects of the corporation; with full power to adopt by-laws and such rules or regulations as shall be deemed necessary to secure the safe and convenient transaction of the business of the corporation; and with full power and discretion to invest any principal and deal with and expend the income of the corporation in such manner as in the judgment of the trustees will best promote the objects hereinbefore set forth; and, in general, to have and use all the powers and authority necessary and proper to promote such objects and carry out the purposes of the corporation. The trustees shall have power to hold as investments any securities given, assigned, or transferred to them or to the corporation by any person, persons, or corporation, and to retain such investments, and to invest any sums or amounts from time to time in such securities and in such form and manner as may be permitted to trustees or to charitable or literary corporations for investment, according to the laws of the State of Ohio, or in such securities as may be authorized for investment by any deed of trust or by any act or deed of gift or last will and testament.

SEC. 6. That all personal property and funds of the corporation held or used for the purposes hereof pursuant to the provisions of this act, whether of principal or income, shall, so long as the same shall be so used, be exempt from taxation by the United States or any Territory or District thereof: *Provided*, That said corporation shall not accept, own, or hold, directly or indirectly, any property, real or personal, except such as may be reasonably necessary to carry out the purposes of its creation as defined in this act.

SEC. 7. That the services of the trustees, when acting as such, shall be gratuitous, but the corporation may provide for the reasonable expenses incurred by the trustees in attending meetings or otherwise in the performance of their duties.

SEC. 8. That this charter shall take effect upon its being accepted by a majority vote of the incorporators named herein who shall be present at the first meeting of the corporation, due notice of which meeting shall be given to each of the incorporators named herein, and a notice of such acceptance shall be given by said corporation causing a certificate to that effect, signed by its president and secretary, to be filed in the office of the recorder of deeds of the District of Columbia.

SEC. 9. That Congress may from time to time alter, repeal, or modify this act of incorporation, but no contract or individual right made or acquired shall thereby be divested or impaired.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend an act entitled 'An act to incorporate the National McKinley Birthplace Memorial Association,' approved March 4, 1911."

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the bill (S. 8252) to authorize the change of name of the steamer *Charles L. Hutchinson* to *Fayette Brown*.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1878) making appropriation for payment of certain claims in accordance with findings of the Court of Claims, reported under the provisions of the acts approved March 3, 1883, and March 3, 1887, and commonly known as the Bowman and the Tucker Acts, and under the provisions of section No. 151 of the act approved March 3, 1911, commonly known as the judicial code.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H. R. 20496) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. KEY of Ohio, Mr. KEATING, and Mr. SELLS managers at the conference on the part of the House.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H. R. 20827) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors

of wars other than the Civil War, and to widows of such soldiers and sailors, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. KEY of Ohio, Mr. KEATING, and Mr. SELLS managers at the conference on the part of the House.

The message further announced that the House had passed a bill (H. R. 20783) making appropriations for the support of the Army for the fiscal year ending June 30, 1918, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 20451) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

ENROLLED BILLS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 12195. An act to amend section 17 of the United States bankruptcy law of July 1, 1898, and amendments thereto of February 5, 1903;

H. R. 14426. An act to amend section 6 of the act entitled "An act to incorporate the American National Red Cross," approved January 5, 1905;

H. R. 18534. An act to authorize the construction, maintenance, and operation of a bridge across the St. Francis River at or near Parkin, Ark.;

H. R. 18720. An act permitting the building of a railroad bridge across the Mississippi River at Bemidji, in the State of Minnesota; and

H. R. 19239. An act granting the consent of Congress to the county of Pearl River, Miss., and the fourth ward of the parish of Washington, La., to construct a bridge across Pearl River, between Pearl River County, Miss., and Washington Parish, La.

SENATOR FROM VERMONT.

Mr. DILLINGHAM. I present the credentials of my colleague, Hon. CARROLL S. PAGE, chosen by the qualified electors of the State of Vermont a Senator from that State for the term beginning March 4, 1917.

The credentials were read and ordered to be filed, as follows:

STATE OF VERMONT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November, 1916, CARROLL S. PAGE was duly chosen by the qualified electors of the State of Vermont a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1917.

Witness his excellency our governor, Horace F. Graham, and our seal hereto affixed at Montpelier, this 21st day of February, in the year of our Lord 1917

HORACE F. GRAHAM,
Governor.

By the governor:
[SEAL]

GUY W. BAILEY,
Secretary of State.

PETITIONS AND MEMORIALS.

Mr. LODGE. I present resolutions adopted by the Men's Club of the Church of Our Saviour, of Brookline, Mass., indorsing the action of the President, which I ask may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

The Men's Club of the Church of Our Saviour, of the town of Brookline, Mass., in meeting assembled, unanimously adopts the following minute:

"After exhausting the resources of diplomacy in an effort to avert war, the President has now taken the only course consistent with national self-respect.

"War with Germany will not ensue unless the Imperial German Government knowingly violates well-settled principles of international law, and violates them with intent definitely hostile to the United States. In that event, war will inevitably follow, not by our own act but through the deliberate choice of a self-confessed disturber of the peace of the western world.

"If any honest doubt exists respecting the cause of war in Europe, the awful responsibility for extending it to this hemisphere will rest upon Germany and upon Germany alone.

"It may be that the Imperial German Government is misinformed respecting the temper of the people of the United States, just as that Government is supposed to have misconceived the sentiment of the British Empire at the outbreak of the European war. If so, and before fatal action based upon so grave a mistake is taken, Germany should be made aware of the essential unity of our people and of their loyal determination to make all sacrifices necessary to protect our liberty and to maintain our honor. To this end we call upon all bodies similar to ours throughout the country and upon all groups of citizens organized for whatever purpose, to meet without delay and express themselves with no uncertain voice respecting the course that they will be prepared to follow.

"We urge all such groups of citizens, secular and religious, large and small, societies, clubs, and institutions of every sort to unite with us in giving immediate public expression to such convictions as those which we now solemnly record:

"First. That the act of the Executive in severing diplomatic relations with Germany is one to be approved and commended by all who have the best interests of the United States at heart.

"Second. That the German declaration of January 31, 1917, represents an unjustified and unjustifiable attempt to destroy the freedom of the sea and to abridge the commercial liberty guaranteed to us by established law and custom, and that if the Government of the United States were to acquiesce therein such action would be resented by all good citizens as in the highest degree pusillanimous and as altogether inconsistent with the spirit and traditions of a free people.

"Third. That the President will be justified in recommending to Congress the most extreme measures that may be deemed necessary to protect life, liberty, and property; and that it is our duty and that of all loyal citizens to tender immediately to the Government all the service of which we severally and collectively are capable.

"Fourth. That while all should stand ready to volunteer, if voluntary service is called for, yet Congress, in providing for our common safety, should not adopt emergency measures merely, but should definitely recognize the principle that the duty of defending the Nation rests equally upon all citizens capable of service. To the end therefore that the burden of safeguarding the country should no longer be cast exclusively upon the loyal National Guard and upon other patriotic military and naval volunteers Congress should be urged to exercise its constitutional power "to raise and support armies" by establishing immediately a permanent and democratic system of defense based upon universal service and training under direct and exclusive Federal control.

"A copy of this minute is ordered to be transmitted to the President of the United States, to the Secretary of War and other members of the Cabinet, to the members of both congressional Committees on Military Affairs, and to every chamber of commerce in the United States."

GEO. S. PARKER, *President.*

Mr. LODGE presented a petition of the city council of Malden, Mass., indorsing the President's action in severing diplomatic relations with Germany, which was referred to the Committee on Foreign Relations.

He also presented a petition of the Northeastern Association of Fish and Game Commissioners of New York and New England, of Boston, Mass., praying for the enactment of legislation to place under Federal control anadromous fishes on the Atlantic coast, which was referred to the Committee on Fisheries.

Mr. SHEPPARD presented a telegram in the nature of a petition from sundry citizens of Texas, praying for Federal censorship of motion pictures, which was referred to the Committee on Education and Labor.

Mr. LEA of Tennessee presented petitions of sundry citizens of Tennessee, praying for national prohibition, which were ordered to lie on the table.

Mr. McLEAN presented a petition of the Burroughs Nature Club, of Naugatuck, Conn., favoring the migratory-bird treaty with Canada, which was ordered to lie on the table.

He also presented a petition of the Socialist Party of East Hartford, Conn., praying that the United States remain at peace, which was referred to the Committee on Foreign Relations.

He also presented petitions of sundry citizens of South Norwalk, Stafford, New Britain, Greenwich, New Haven, Falls Village, and Unionville, all in the State of Connecticut, praying for national prohibition, which were ordered to lie on the table.

Mr. OLIVER presented memorials of sundry granges, all in the State of Pennsylvania, remonstrating against the proposed reduction of the tax on oleomargarine, which were ordered to lie on the table.

He also presented petitions of sundry citizens of Clarion, Beaver, Boliver, and New Castle, all in the State of Pennsylvania, praying for the adoption of an amendment to the Constitution to prohibit polygamy, which were referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Jeannette, Pa., praying for the enactment of legislation for the protection of migratory birds, which was ordered to lie on the table.

He also presented a petition of District No. 5, United Mine Workers of America, of Pittsburgh, Pa., praying for an investigation into the high cost of living, which was referred to the Committee on the Judiciary.

He also presented petitions of sundry citizens of Beaver County and Butler County, in the State of Pennsylvania, praying for the enactment of legislation to found the Government on Christianity, which were referred to the Committee on the Judiciary.

He also presented a petition of the congregation of the United People's Church of Pittsburgh, Pa., praying that the question of war be submitted to a referendum of the people, which was referred to the Committee on Foreign Relations.

He also presented petitions of sundry citizens of the State of Pennsylvania, praying for national prohibition, which were ordered to lie on the table.

Mr. PHELAN presented a memorial of Mailers' Union No. 9, of Los Angeles, Cal., remonstrating against any change in second-class postal rates, which was ordered to lie on the table.

Mr. COLT presented petitions of sundry citizens of Rhode Island, praying for national prohibition, which were ordered to lie on the table.

Mr. CHAMBERLAIN presented a petition of sundry citizens of Medford, Oreg., praying for national prohibition, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Portland, Oreg., praying that the United States remain at peace, which was referred to the Committee on Foreign Relations.

He also presented a memorial of sundry citizens of Vale, Oreg., remonstrating against the so-called "draft" provision for compulsory military service in the Hay-Chamberlain Act, which was ordered to lie on the table.

ALFRED B. ANDREWS.

Mr. CLAPP. For the junior Senator from Florida [Mr. BRYAN], I report from the Committee on Claims, without amendment, the bill (S. 8297) for the relief of Alfred B. Andrews, and I submit a report (No. 1105) thereon.

The VICE PRESIDENT. The bill will be placed on the calendar.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LA FOLLETTE:

A bill (S. 8303) granting an increase of pension to James R. Rundlett; and

A bill (S. 8304) granting an increase of pension to Nathan H. Ellis; to the Committee on Pensions.

By Mr. HOLLIS:

A bill (S. 8305) for the relief of Laurin W. Rolfe; to the Committee on Claims.

By Mr. POMERENE:

A bill (S. 8306) excepting certain classes of manufacturers and dealers from the operation of the provisions of section 5 of the bill (H. R. 19410) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1918, and for other purposes; to the Committee on Post Offices and Post Roads.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. STONE submitted an amendment authorizing the commissioner of the Freedman's Savings & Trust Co. to pay to all depositors of said company a sum equal to the verified balances due said depositors at the time of its failure, etc., intended to be proposed by him to the Army appropriation bill (H. R. 20783), which was ordered to be printed and, with the accompanying paper, referred to the Committee on Military Affairs.

Mr. SHEPPARD submitted an amendment providing for the erection of a medium-power radio station at Galveston, Tex., intended to be proposed by him to the naval appropriation bill (H. R. 20632), which was ordered to lie on the table and be printed.

Mr. WORKS submitted an amendment proposing to appropriate \$80,158.73 to pay the Yosemite Valley Railroad Co. for amounts actually expended by it in building El Portal Wagon Road, etc., intended to be proposed by him to the sundry civil appropriation bill (H. R. 20967), which was referred to the Committee on Appropriations and ordered to be printed.

RIVER AND HARBOR APPROPRIATIONS.

Mr. PHELAN submitted an amendment intended to be proposed by him to the river and harbor appropriation bill (H. R. 20079), which was ordered to lie on the table and be printed.

CLAIM OF MISSISSIPPI CHOCTAWS.

Mr. CLAPP submitted the following resolution, which was ordered to lie on the table and be printed:

Senate resolution 372.

Resolved, That the Secretary of the Interior is hereby authorized and directed to make careful inquiry into and report all the facts to the Senate, at the beginning of the next regular session of Congress, as to the services rendered and expenses incurred, if any, from 1896 to 1906, inclusive, by Charles F. Winton and his associates and by Walter S. Field and Chester Howe in the matter of the claim of the "Mississippi Choctaws" to citizenship in the Choctaw Nation west of the Mississippi River, and the fair value of the estate obtained by said "Mississippi Choctaws."

DIPLOMATIC AND CONSULAR APPROPRIATIONS.

Mr. OVERMAN submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 19300) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1918, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8 and 9.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 10, and 11, and agree to the same.

LEE S. OVERMAN,
LUKE LEA,
W. L. JONES,
Managers on the part of the Senate.
H. D. FLOOD,
CYRUS CLINE,
HENRY ALLEN COOPER,
Managers on the part of the House.

The report was agreed to.

HOUSE BILL REFERRED.

H. R. 20783. An act making appropriations for the support of the Army for the fiscal year ending June 30, 1918, was read twice by its title and referred to the Committee on Military Affairs.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had, on the 23d instant, approved and signed the following acts:

S. 703. An act to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure;

S. 2222. An act for the relief of the heirs of Antoine Bayard; S. 5899. An act to punish persons who make false representations to settlers and others pertaining to the public lands of the United States;

S. 6850. An act authorizing transfer of certain retired Army officers to the active list; and

S. 7757. An act authorizing a further extension of time to purchasers of land in the former Cheyenne and Arapahoe Indian Reservation, Okla., within which to make payment.

THE LATE GEN. FUNSTON.

Mr. THOMPSON. Mr. President, I wish to announce that at the conclusion of the routine business to-day I shall offer a few remarks concerning the life and distinguished services of that brave soldier and great general, Frederick Funston, of Kansas, who recently died in the service of his country at San Antonio, Tex.

I wish to say in this connection, Mr. President, that I have desired to do this ever since the death of this great American citizen, but on account of the revenue bill being constantly before the Senate there has been no proper time afforded to do so. Therefore I shall take advantage of the first favorable opportunity to-day to deliver the address to the Senate.

Mr. VARDAMAN. Regular order!

Mr. WALSH. Mr. President—

The VICE PRESIDENT. The Senator from Montana.

NEUTRALITY PROCLAMATION OF 1793.

Mr. WALSH. Mr. President, in the patriotic Farewell Address of President Washington, read in accordance with the custom of the Senate on yesterday, Thursday, the 22d instant, reference is made to his proclamation of the 22d day of April, 1793, in the following brief paragraph:

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both Houses of Congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

The proclamation is a very brief one, Mr. President, and I ask that it may be read from the desk.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and the Secretary will read.

The Secretary read the proclamation, as follows:

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.
A PROCLAMATION.

Whereas it appears that a state of war exists between Austria, Prussia, Sardinia, Great Britain, and the United Netherlands of the one part and France on the other, and the duty and interest of the United States require that they should with sincerity and good faith adopt and pursue a conduct friendly and impartial toward the belligerent powers.

I have therefore thought fit by these presents to declare the disposition of the United States to observe the conduct aforesaid toward those powers respectively, and to exhort and warn the citizens of the United States carefully to avoid all acts and proceedings whatsoever which may in any manner tend to contravene such disposition.

And I do hereby also make known that whosoever of the citizens of the United States shall render himself liable to punishment or forfeiture under the law of nations by committing, aiding, or abetting hostilities against any of the said powers, or by carrying to any of them those articles which are deemed contraband by the modern usage

of nations, will not receive the protection of the United States against such punishment or forfeiture; and further, that I have given instructions to those officers to whom it belongs to cause prosecutions to be instituted against all persons who shall, within the cognizance of the courts of the United States, violate the law of nations with respect to the powers at war, or any of them.

In testimony whereof I have caused the seal of the United States of America to be affixed to these presents, and signed the same with my hand.

Done at the city of Philadelphia, the 22d day of April, 1793, and of the independence of the United States of America the seventeenth.

[SEAL.]

By the President:

TH: JEFFERSON.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by E. T. Taylor, jr., one of its clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 18181) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 19937) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

The message further announced that the House had passed a bill (H. R. 18566) for the relief of Mrs. Nancy E. Mullins, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED.

H. R. 18566. An act for the relief of Mrs. Nancy E. Mullins was read twice by its title and referred to the Committee on Pensions.

THE REVENUE.

The VICE PRESIDENT. The unfinished business is now before the Senate.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 20573) to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes.

The SECRETARY. The pending amendment is on page 7, in the amendment of the committee, lines 15, 16, and 17, where the Senator from Indiana [Mr. WATSON] proposes to strike out, on line 16 of the amendment, the words "July first" and in lieu thereof to insert "December thirty-first"; and on line 17 to strike out "twenty-one" and insert "nineteen," so that, if amended, it will read:

Sec. 208. Titles I and II of this act shall cease to be of effect on and after December 31, 1919.

Mr. CURTIS. Mr. President, I move to amend the amendment of the Senator from Indiana by striking out "nineteen" and inserting in lieu thereof "eighteen."

The VICE PRESIDENT. That is an amendment in the third degree.

Mr. CURTIS. This is an amendment to an amendment, is it?

The VICE PRESIDENT. It is. The question is on the amendment of the Senator from Indiana to the amendment of the committee.

Mr. SIMMONS. Mr. President, I do not know that I quite understood the Senator from Kansas; but if I caught his amendment, it was that this tax should not be levied except for the fiscal year 1918. That is the effect of it?

Mr. CURTIS. That was the effect of the amendment.

Mr. SIMMONS. And the tax would cease to be operative after that time?

Mr. CURTIS. But the Vice President tells me that it is an amendment in the third degree; so I will bring the matter up in another way.

The VICE PRESIDENT. The question is on the amendment of the Senator from Indiana to the amendment of the committee.

Mr. WATSON and Mr. SMOOT called for the yeas and nays.

Mr. WATSON. Mr. President, this amendment was offered for the purpose of limiting the time of the appropriations provided by Titles I and II of this act. The amendment offered by the committee provides that Titles I and II of the act shall cease to be of effect on and after July 1, 1921. I have offered an amendment that those titles shall cease to be of effect on and after December 31, 1919.

Mr. CURTIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Kansas?

Mr. WATSON. I yield; yes.

Mr. CURTIS. As I understand, the Senator from Indiana has a right to modify his amendment. I will ask the Senator if he will not modify his amendment so as to fix the date at December 31, 1918? I am satisfied that the amendment offered by the Senator carries this part of the bill for a longer time than he intended.

Mr. WATSON. Which I was about to state. In other words, because of the confusion existing between the fiscal year and the calendar year, this appropriation is being carried for three years under my amendment instead of two, as I originally designed to have it. Therefore I modify my amendment so as to read "December 31, 1918," instead of "July 1, 1921." In other words, it carries these appropriations for two full years.

This bill is designed for special preparedness, and it is simply a question about what "special preparedness" means. It is a question as to whether or not, under the plea of special preparedness, we desire to carry these appropriations for four years. My own thought is that if we have an abundance of revenue—which nobody seeks to deny—to take care of the exigencies that confront us, succeeding Congresses will perform their duty and their function; and I know of no reason why at this time we should add to the huge appropriations that are asked here for the purpose of preparedness when we shall have an abundance of revenue to carry this program forward for the ensuing two years. Therefore it occurs to me that there is no demand made upon us at this time to appropriate for four years to come, when we can carry forward our program for two years and thus meet the exigencies that confront us.

Mr. CLAPP. Mr. President, will the Senator pardon me?

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Minnesota?

Mr. WATSON. Yes.

Mr. CLAPP. And when developments may prove the unwisdom of a program adopted and provided for carrying forward four years at this time.

Mr. WATSON. I will say to the Senator that that point was made last night—

Mr. CLAPP. I know it was.

Mr. WATSON. And that I did not care to go over the entire argument again to-day. It may be that we shall not want this large naval appropriation at the end of two years. On the contrary, if the worst comes to the worst, larger appropriations may be necessary, or the emergency may become all the greater; and it is not fair for us to assume that succeeding Congresses will not discharge their patriotic duties and fulfill their patriotic functions. Therefore it seems to me that all that can be demanded of us at this time is to meet the emergency that confronts us by a limitation of two years, which is amply sufficient for present purposes.

Mr. SMITH of Georgia. Mr. President, in the first place the amendment of the Senator from Indiana would limit the collection of this tax to one year, because the tax is only payable the year following, and the machinery for collection follows the year of the tax.

Mr. WATSON. If the Senator will permit me, that matter was argued out here last night, and the contrary view was established, I thought, to the satisfaction of everybody.

Mr. SMITH of Georgia. I do not think it was. It certainly was not to the satisfaction of the members of the committee or the Treasury Department.

Mr. SIMMONS. Mr. President, I dissented positively from that statement last night.

Mr. SMITH of Georgia. Yes; the chairman of the committee dissented positively from it. There is no doubt about the fact that, under the terms of the statute, the tax is returned the year following the year that the tax accrues. Your tax for 1917 is returned in 1918 by the 1st of March. Then it is payable by the 1st of June, I believe, or the 1st of July. So that the terms of the statute, as amended, limit the tax to four years. The addition of six months, carrying it to July 1, 1921, was intended to leave the machinery in force for the collection of the tax; that was all. It was not intended that the tax itself should last more than four years. It may be that a little further explanation should be added to that provision declaring that the continuation beyond January 1, 1921, is only for the machinery of collection.

One word more, Mr. President, about the necessity for this tax. We have already made the appropriations that go through these four years. The Senator from Indiana suggests that we will not have to continue this line of preparedness, this line of construction. Well, we can stop those appropriations the very moment it is determined wise to stop them; and whenever that is done I am sure Congress at the same time will repeal this tax.

I hope we may, by the end of two years, be able to slacken up on military construction. I hope so. I long that that may be true; and if it is true, then I should be perfectly delighted to stop this tax. But at present we have made the appropriations running through the four years.

Mr. SMOOT. Not four years.

Mr. SMITH of Georgia. No; we have not made the appropriations for four years, because we could not.

Mr. SMOOT. No; we could not.

Mr. SMITH of Georgia. We have outlined a class of work that is to run through that period, however.

Mr. SMOOT. You have a building program.

Mr. SMITH of Georgia. We have authorized contracts; we have made a program that would involve the four years; and we are seeking through this proposed revenue bill to meet that line. If we can stop that program, and do, pending these years, we certainly will be glad at the same time to stop this tax.

Mr. SMOOT. Mr. President, the Senator is mistaken when he says that there have been appropriations made for four years. He is also mistaken when he states that there has been an authorization for a program to be carried out in the next four years. All that there has been done is this—a tentative program has been agreed to. Congress can appropriate for it if it wants to, or Congress may not appropriate, as it decides.

The amendment offered to the bill by the Finance Committee of the Senate reads as follows:

Titles I and II of this act shall cease to be of effect on and after July 1, 1921.

Under this bill the tax will be levied upon the incomes and the profits for the year 1917. Of course it will not be collected until June 1, 1918, but it will be imposed for 1917, 1918, 1919, 1920, and 1921 if the amendment is agreed to in the Senate.

The Senator from Georgia says that they can repeal the law in two years if it becomes unnecessary to collect the additional taxes. The best way to do that would be to provide only that they should be collected for two years, and then, if conditions were such at the end of two years as to justify it, pass a resolution or put this same provision for another two years in a naval appropriation bill.

Mr. LODGE. Mr. President, on that point the naval bill is the heaviest bill we have, so far as appropriations are concerned.

Mr. SMOOT. Yes.

Mr. LODGE. I have just been taking part in making up that bill. The appropriations are all made as usual for the year.

Mr. SMOOT. Certainly.

Mr. LODGE. The only difference that exists is that we have made extra appropriations in order to expedite the work, and have made larger appropriations than usual for the authorizations, with the view, of course, of getting the ships as rapidly as possible; but that means that the money will be spent more rapidly than usual. It is not delayed for four years. On the contrary, the expenditure is hastened.

Mr. SMOOT. I am speaking of the imposition and collection of the tax.

Mr. LODGE. Certainly. Something was said about appropriations running four years. We are reducing the time as much as we possibly can in the Navy.

Mr. SMOOT. Mr. President, I stated last night, when this same question was up, that the appropriations for this year exceeded even the program that was mapped out, for the reason that it is desired to hasten the completion of the program, and the Navy appropriation bill carries \$531,000,000 this year. Next year it does not necessarily follow that that same amount will be appropriated.

Mr. LODGE. Unless there is war, next year's bill will not carry anything like it.

Mr. SMOOT. As the Senator says, unless there is war it will carry nothing like it. If there is not war, and it is not necessary to appropriate \$531,000,000 next year, this tax will be imposed and collected, however, if this amendment is adopted.

Therefore, Mr. President, I think that the modified amendment of the Senator from Indiana making it December 31, 1918, the end of the calendar year, is long enough to have the law in force. Then if war should happen by the end of the year 1918 a similar provision could be included in the Navy bill at that time.

Not only that, if war does come the \$531,000,000 will not be sufficient. I take it for granted, if war comes, a bill will be passed through Congress, in my opinion, quickly as possible authorizing the expenditure of a billion of dollars for the early purchase and forced construction of battleships and auxiliaries.

Mr. POINDEXTER. Mr. President—

Mr. SMOOT. I yield to the Senator.

Mr. POINDEXTER. Of course what the Senator suggests would be physically impossible, the immediate construction of battleships.

Mr. SMOOT. I did not say—

Mr. POINDEXTER. Just a moment, if the Senator please; I am not going to detain him. Even the immediate construction of the smaller sort of war vessels, cruisers or submarines or submarine catchers, could not be provided in the manner the Senator suggests in the case of a war. We must have time to build these instrumentalities of national defense. The construction of the smallest of them would require at least one year. Hence the importance of the adoption of that provision in time of peace, because of the impossibility of securing them in time of war and of sufficient speed to adequately provide for national defense.

Mr. SMOOT. The Senator would be perfectly right if I had said the construction, though perhaps it would be possible for the Government of the United States to purchase colliers and other auxiliaries of our Navy. That is what I had in mind. Of course the Senator is correct as to the time it takes to construct the smallest ship for national defense. In fact, the Senator said one year, but under conditions to-day I have not a doubt but that it would take two years.

The amendment spoken of by the Senator providing for additional submarines I am in hearty sympathy with. Two years ago I offered an amendment to the naval appropriation bill authorizing the building of 75 submarines. I have every reason to believe that if a point of order had not been made against the amendment to the naval appropriation bill at that time the Senate of the United States would have voted the authorization of the construction two years ago of 75 submarines. So I want to say to the Senator that it will give me great pleasure to vote for the authorization of the construction of the additional submarines provided in the naval appropriation bill.

Mr. President, I sincerely trust the amendment offered by the Senator from Indiana will be adopted. There is no reason to have the imposition and collection of the tax unless it becomes necessary, and we will know by the end of the calendar year 1918 whether it is necessary to extend it beyond that time or not.

Mr. PENROSE. Mr. President, I trust that the chairman of the Finance Committee will accept the amendment of the Senator from Indiana. It is offered in a sincere desire to improve the bill.

Mr. SIMMONS. If the Senator will pardon me, I do not want to take time. I stated my position very fully last night on this subject. I can not accept the amendment. I do not think it ought to be adopted.

Mr. PENROSE. I did not know but that the Senator might have changed his mind overnight, as frequently happens, and be prepared this morning to accept it.

Mr. SIMMONS. I have not. I am as strong in the belief that the amendment ought to be adopted as reported by the committee to-day as I was last night.

Mr. PENROSE. So my hopes are shattered.

Mr. SIMMONS. They frequently are.

Mr. PENROSE. As the Senator says, they frequently have been.

Mr. President, I entirely agree with what the Senator from Utah [Mr. Smoot] has said about the fact that this amendment will not in any way interfere with these expenditures. I do not agree with him when he says that the money may not be needed. I do feel quite confident that if the money is not needed for preparations to enlarge the Army and the Navy and in fortifications for defense in war some alluring product of Government ownership or some socialistic governmental activity will be discovered by the Democratic majority to exhaust any funds that may be left remaining to maintain the ever-recurring deficit in all its flourishing prosperity.

Mr. SMOOT. I apologize to the Senator for even suggesting that the amount of money would not be needed.

Mr. PENROSE. Not only would this amendment not interfere with the legitimate expenditures for defense, but it is desirable, in my opinion, for another reason. The most superficial examination of this measure will convince any person that it is crudely drawn and its purposes are not altogether stated in a candid way. The title reads: "An act to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes."

We were told last summer, Mr. President, when a previous burdensome bill imposing direct taxes was pending with a similar title that the estimated revenue to be raised thereunder would be amply sufficient to meet these military and naval expenditures and to provide for any deficit which might be expected in the future.

Mr. President, I think I should like to have order in the Chamber.

The VICE PRESIDENT rapped with his gavel.

Mr. PENROSE. I said at the time and other Members of the minority said that the bill would fail as a revenue producer. I will continue my remarks when order is restored.

The VICE PRESIDENT rapped with his gavel.

Mr. PENROSE. I believe I have stated that the title of the bill is misleading. As predicted last summer, the then pending measure has failed to raise revenue, and the deficit still exists. The title of this measure, in my opinion, should be "to defray the expenses of increased appropriations for the Army and Navy and to meet the deficit and the bankrupt condition of the Treasury of the United States due to wasteful extravagance and unnecessary expenditures." Not only is this measure expected to raise—Mr. President, I recognize that this bill has been fully considered by the Democratic caucus, and that public discussion before the American people does not interest the Democratic majority; but I think at least courtesy should be extended to minority Members when they are discussing the measure in good faith, and those Members of the Democratic majority who desire to indulge in noisy conference should adjourn to some other part of the Capitol than the Senate Chamber.

Mr. THOMAS. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Colorado?

Mr. PENROSE. For an inquiry? For what purpose does the Senator rise?

Mr. THOMAS. I merely wish to say that I think the remark made by the Senator is very timely. I have noticed several times when we have been speaking on this side of the Chamber that the Senator from Pennsylvania has been a conspicuous offender in the same direction.

Mr. PENROSE. Well, Mr. President, I have no doubt that I have not been entirely free from this offense. Sometimes the gentlemen on the other side address the Senate in such an inaudible tone that it is difficult to tell whether they are addressing the Senate or talking to themselves.

Mr. THOMAS. When the Senator whispers he is never inaudible.

Mr. PENROSE. Many of the speeches which have been delivered with great vociferousness have not yet appeared in the CONGRESSIONAL RECORD even for examination by the minority.

This measure, Mr. President, goes out of its way to lead to the impression that it is for preparedness. Section 1 says:

That the receipts from the tax imposed by title 2—

That is, the receipts under this peculiar taxation in the pending bill—

And one-third of the receipts from the tax imposed by title 3 of this act shall constitute a separate fund in the Treasury to be used only for the expenditures incurred under—

And then the acts of this Congress and the last Congress are recited providing for expenditures for the Army and Navy and for fortifications. In addition the paragraph goes on to say:

In addition to such receipts from the taxes imposed under Titles II and III of this act, there shall be credited annually, beginning with the fiscal year ending June 30, 1918, to such separate fund, the sum of \$175,000,000, such sum being the estimated additional revenue to be derived under the act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916, in excess of the revenue to be derived under then existing laws.

Here is a deliberate attempt, Mr. President, to convey to the people of the country and to the legislators the thought that this oppressive and burdensome tax measure is primarily intended to be for the purposes of military and naval development. But mark the caution which follows this effort on the part of the majority lawmakers. Read the proviso:

Provided, That the Secretary of the Treasury may use such fund for other purposes, but such fund shall be reimbursed for any portion thereof so used.

Is there, Mr. President, from here to China and from to-day back 500 years a more childish, a more grotesque, a more inane, a more ridiculous provision than this proviso herein contained? A whole paragraph solemnly setting forth that a fund should be consecrated to a certain purpose, and then a proviso saying the Secretary can use it for some other purpose, but if it is used for some other purpose the fund shall be reimbursed. How? By another bill? Heaven help the reimbursement, if the majority can pass appropriation bills encroaching upon this fund so ostentatiously proclaimed to be for the purpose of national defense. It is humiliating to feel that a tax bill of this magnitude, calculated to paralyze thrift and industry and precipitate bad times, should be made ridiculous and childish by a provision of this kind.

I for one think that two years is ample time to permit legislation of this character to remain upon the statute books. I look fondly forward to the hope that sanity will return to the American people, and that a House and Senate of a different complexion will exist at the end of that period to restore legislation by the two Houses of Congress to the high standards of statesmanship, which have usually prevailed in the history of the Government.

Mr. HUGHES. Does the Senator mean to intimate that the people of the United States are now insane?

Mr. PENROSE. I do not, Mr. President; but I doubt the sanity of some of the representatives of the people.

Mr. HUGHES. The Senator hopes for a return of sanity to the people. I wonder if—

Mr. PENROSE. I am unwilling to be further interrupted. I am about to conclude.

That is about all I have to say at this time, Mr. President, on the pending amendment. As the discussion progresses I shall call attention to other inconsistencies in the measure; but as we read the subsequent pages we will come to no more ridiculous provision, no more inane provision, unworthy of the authors of this measure, than that which loudly proclaims the setting aside of a fund for a noble and patriotic purpose and then taking the precaution to say it has a string to it; we will take the money back whenever we feel like it.

Mr. CURTIS. Mr. President, in addition to what has been said by the Senator from Indiana, the Senator from Utah, and the Senator from Pennsylvania, I desire to say that Congress will be in session in December again; that should there be no extra session it is bound to meet for the long session in December. So there will be plenty of opportunity to extend the time if it is necessary. Then, again, Congress will meet a year from December, which will give some thirty-odd days in which to act upon this matter and extend the time if it should be necessary. I hope the modified amendment of the Senator from Indiana will be agreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Indiana [Mr. WATSON] to the amendment.

Mr. SIMMONS. Have the yeas and nays been ordered?

The VICE PRESIDENT. The yeas and nays have been requested on the amendment of the Senator from Indiana to the amendment. Is there a second to the demand?

The yeas and nays were ordered.

Mr. CURTIS. The understanding is that the amendment has been modified to read "December 31, 1918."

The VICE PRESIDENT. Certainly. The Secretary will call the roll on agreeing to the amendment to the amendment.

The Secretary proceeded to call the roll.

Mr. DILLINGHAM (when his name was called). I have a general pair with the senior Senator from Maryland [Mr. SMITH], who is compelled to be absent to-day. If present, I do not know how the Senator from Maryland might vote on this question. I therefore withhold my vote.

Mr. STONE (when his name was called). I have a pair with the Senator from Wyoming [Mr. CLARK], who is absent, and therefore withhold my vote.

Mr. SMITH of Michigan (when Mr. TOWNSEND's name was called). My colleague [Mr. TOWNSEND] has been called away from the Chamber by sickness in his family. If he were present, he would vote "yea."

The roll call was concluded.

Mr. CURTIS (after having voted in the affirmative). I have a general pair with the junior Senator from Georgia [Mr. HARDWICK], who, I understand, is detained from the Chamber on account of sickness. I transfer that pair to the junior Senator from Utah [Mr. SUTHERLAND] and will permit my vote to stand.

Mr. TILLMAN. I transfer my pair with the Senator from West Virginia [Mr. GOFF] to the Senator from Arizona [Mr. SMITH] and vote "nay."

Mr. BANKHEAD. I desire to announce the absence of the junior Senator from Georgia [Mr. HARDWICK] on account of sickness. I will let this announcement stand for the day.

Mr. GRONNA (after having voted in the affirmative). I have voted, but I have a general pair with the senior Senator from Maine [Mr. JOHNSON], which I transfer to the junior Senator from Michigan [Mr. TOWNSEND] and will let my vote stand.

Mr. LODGE. I desire to announce that the Senator from New Hampshire [Mr. GALLINGER] is necessarily absent. He is paired with the Senator from New York [Mr. O'GORMAN]. I will let this announcement stand for the day.

Mr. COLT. I have a pair with the junior Senator from Delaware [Mr. SAULSBURY], who is absent. I therefore withhold my vote.

Mr. VARDAMAN. I desire to be excused from voting, Mr. President.

Mr. CLARK (after having voted in the affirmative). Mr. President, for fear there may be some misapprehension, I desire to state that I have a general pair with the senior Senator from Missouri [Mr. STONE]. I have voted, but the Senator from Missouri, although afterwards in the Chamber, did not vote, and stated that he withheld his vote because of his pair. Believing that the Senator, had he voted, would have voted with his party, I shall withdraw my vote under the circumstances.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Minnesota [Mr. NELSON] with the Senator from Oklahoma [Mr. GORE]; and

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN].

The result was announced—yeas 34, nays 41, as follows:

YEAS—34.

| | | | |
|-----------|-------------|--------------|-----------|
| Borah | Fernald | McCumber | Smoot |
| Brady | Gronna | McLean | Sterling |
| Brandegge | Harding | Norris | Wadsworth |
| Catron | Jones | Oliver | Warren |
| Clapp | Kenyon | Page | Watson |
| Cummins | La Follette | Penrose | Weeks |
| Curtis | Lane | Polindexter | Works |
| du Pont | Lippitt | Sherman | |
| Fall | Lodge | Smith, Mich. | |

NAYS—41.

| | | | |
|-------------|------------------|------------|--------------|
| Ashurst | James | Phelan | Smith, S. C. |
| Bankhead | Johnson, S. Dak. | Pittman | Swanson |
| Beckham | Kern | Pomerene | Thomas |
| Bryan | Kirby | Ransdell | Thompson |
| Chamberlain | Lea, Tenn. | Reed | Tillman |
| Chilton | Lee, Md. | Robinson | Underwood |
| Fletcher | Martine, N. J. | Shafroth | Walsh |
| Hitchcock | Myers | Sheppard | Williams |
| Hollis | Newlands | Shields | |
| Hughes | Overman | Simmons | |
| Husting | Owen | Smith, Ga. | |

NOT VOTING—21.

| | | | |
|------------|--------------|--------------|------------|
| Broussard | Goff | Nelson | Sutherland |
| Clark | Gore | O'Gorman | Townsend |
| Colt | Hardwick | Saulsbury | Vardaman |
| Culberson | Johnson, Me. | Smith, Ariz. | |
| Dillingham | Lewis | Smith, Md. | |
| Gallinger | Martin, Va. | Stone | |

So Mr. WATSON's amendment to the amendment of the committee was rejected.

Mr. CLARK. I move to strike out from the pending bill, beginning in section 1, down to and including line 21, on page 2. I offer that amendment, unless there are some other committee amendments still to be considered.

Mr. SIMMONS. What section of the bill is it the Senator from Wyoming moves to strike out?

Mr. CLARK. I am told that my motion is not at present in order.

Mr. LODGE. I understood that the committee amendments were to be disposed of before individual amendments were offered.

Mr. SIMMONS. Yes.

Mr. CLARK. I will say, for the information of the Senator from North Carolina, that my proposed amendment is to strike out section 1 down to and including line 21, on page 2. I will offer the amendment at the proper time.

Mr. SIMMONS. That amendment, I think, would not be in order at this time.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 7, inserting lines 15, 16, and 17.

Mr. CUMMINS. I desire to hear what the amendment is.

Mr. SIMMONS. We have just rejected an amendment proposed by the Senator from Indiana [Mr. WATSON] to modify the committee amendment.

The VICE PRESIDENT. The committee amendment will be stated.

The SECRETARY. The committee proposes, on page 7, beginning in line 15, to insert:

SEC. 208. Titles I and II of this act shall cease to be of effect on and after July 1, 1921.

Mr. SMITH of Michigan. On that amendment I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment was agreed to.

The VICE PRESIDENT. The next amendment of the committee will be stated.

The SECRETARY. The next amendment of the committee is found on page 10, line 7, after the word "opportunity," to insert the words "to subscribe."

Mr. SMOOT. Mr. President, wherever there is a section in which an amendment occurs I should like to ask that the section

be read, so that we can really know what the amendment means.

Mr. PENROSE. Mr. President, it was distinctly understood last night that the paragraph which contains an amendment should be read in full.

Mr. SIMMONS. Do I understand the Senator wants the whole of that title read?

Mr. PENROSE. Yes.

Mr. SIMMONS. There is only one amendment in section 400 of Title IV, and that section covers nearly two pages. The Senator wants the whole thing read?

Mr. PENROSE. Yes.

The VICE PRESIDENT. The Secretary will read the entire paragraph or section in which amendments occur.

The Secretary proceeded to read Title IV, section 400, as follows:

SEC. 400. That the Secretary of the Treasury is hereby authorized to borrow on the credit of the United States from time to time such sums as in his judgment may be required to meet public expenditures on account of the Mexican situation, the construction of the armor-plate plant, the construction of the Alaskan Railway, and the purchase of the Danish West Indies, or to reimburse the Treasury for such expenditures, and to prepare and issue therefor bonds of the United States not exceeding in the aggregate \$100,000,000, in such form as he may prescribe, bearing interest payable quarterly at a rate not exceeding 3 per cent per annum; and such bonds shall be payable, principal and interest, in United States gold coin of the present standard of value, and both principal and interest shall be exempt from all taxes or duties of the United States as well as from taxation in any form by or under State, municipal, or local authority, and shall not be receivable by the Treasurer of the United States as security for the issue of circulating notes to national banks: *Provided*, That such bonds may be disposed of by the Secretary of the Treasury at not less than par, under such regulations as he may prescribe, giving all citizens of the United States an equal opportunity.

The SECRETARY. At that point, on page 10, line 7, after the word "opportunity," it is proposed to insert the words "to subscribe."

Mr. PENROSE. Mr. President, I invite the attention of the chairman of the committee to the fact that this amendment extends an equal opportunity to all the citizens of the United States to subscribe to a loan for certain purposes. I note that one of the purposes for which the Secretary of the Treasury is authorized to borrow on the credit of the United States is "to meet public expenditures on account of the Mexican 'situation'." The word "situation" is rather an extraordinary one to occur in legislation of this character, and particularly in connection with a loan. I do not recall that the history of financial legislation in several hundred years of parliamentary government in any free country gives an instance of a loan of some \$200,000,000 or any other amount borrowed for a "situation." I have known of loans to be incurred for a war, or an epidemic, or a flood, or for starvation, or for an invasion, but here it is proposed to make a loan of \$200,000,000 for a "situation."

Mr. BRANDEGEE. A chronic situation.

Mr. PENROSE. Yes; "a chronic situation." What is the nature of the "situation," Mr. President? When did it begin? When will it end? What is it? Where is it located? Who produced it? Is any one in this broad land willing to acknowledge the parentage of this "situation"?

Mr. BRANDEGEE. Is there one?

Mr. PENROSE. Yes; is there one? Is it left unclaimed, a foundling on the doorstep, humiliating to the householder on whose doorstep it is found, because it invites suspicion regarding the daily circle of his routine life?

I am curious to know, Mr. President, why this radical innovation in the phraseology and terminology of fiscal legislation finds a place here, so that in the future the legislator and the historian may have an accurate definition of what a "situation" is. I invite the attention of the chairman of the Finance Committee to the propriety of adding a proviso defining a "situation." Is this a good "situation," Mr. President, or a bad "situation"? Is it a critical "situation," or is it some other kind of situation? When these American citizens are invited to subscribe to this loan and march up to the desk to put down their hard-earned wages to raise this \$200,000,000, they will inquire what is the "situation" for which they are putting up their money; and I ask, in all seriousness from the chairman of the committee, or from any other Member of the majority, whether they can give the Senate any information as to this "situation." I have known of loans to be incurred for a war,

Has any estimate been made as to this "situation"? Will the pending revenue bill be ample and sufficient to meet the requirements of the "situation" as long as it may continue? Is it likely to continue indefinitely, or is there a fixed time ahead which we may all contemplate when this "situation" may end? Is this "situation" serious, or in the nature of a vaudeville performance?

These are inquiries which will naturally arise in the breast of the prospective investor. I think the country is entitled to have a little more definite information as to why this very large sum of money is to be asked from the savings of the American people. I think they are entitled to know a little about what the "situation" is.

One question which will naturally occur is, whether any part of this money is to defend the lives of American citizens or the honor of American women or the property of our people wherever it may be located, or whether we shall continue to march up the hill and march down again? It is an expensive proceeding, Mr. President, apparently without any definite result. We recall one situation where we were "too proud to fight," and then another situation, later on, where we were ready to fight anything in sight. We recall a situation where we marched into Vera Cruz to compel a salute to the American flag, and where we subsequently withdrew without any flag or any individual being saluted, at considerable expense to the country. We recall a still later situation when we marched very boldly across the border in pursuit of Villa and his associates, who had had the presumption to cross over into the domain of the United States; and as far as any observer can ascertain at this distance, Villa and his forces have continued to be as active up to the present time as they were when this "situation" arose, after an expenditure of some lives and many million dollars.

I think that this is one point on which I am really entitled to have information from the chairman. He has not seen fit to explain this measure in any considerable detail; but as this proposition involves taking money from the pockets of the taxpayers, I think he ought to enlighten us on it. Is this Mexican situation in the nature of a "get-rich-quick" concern, Mr. President, for which money is taken from the taxpayers upon some plausible and rainbow-chasing prospectus? In that case, let it be branded with the proper term, "Get poor quick" and "get dishonored quick."

Mr. SIMMONS. Mr. President, what has transpired during the last 10 or 15 minutes makes very clear, I think, the purpose of the minority with reference to this bill. We are now considering an amendment adding one word to section 400.

Mr. SMITH of Michigan. Mr. President, we can not hear the Senator. Will he speak a little louder?

Mr. SIMMONS. I am speaking loud enough, I think, for the Senator to hear me. That section covers nearly two pages. The only amendment made to it—

Mr. PENROSE. Mr. President, I do not suppose it makes any difference to the chairman of the Finance Committee—

Mr. SIMMONS. Mr. President, I do not yield.

Mr. PENROSE (continuing). But no one can hear the Senator.

Mr. SIMMONS. I do not yield to the Senator from Pennsylvania.

The PRESIDING OFFICER (Mr. LEA of Tennessee in the chair). The Senator declines to yield.

Mr. PENROSE. I did not know I was interrupting the Senator. I could not hear him.

Mr. SIMMONS. That is one of the tricks of the Senator from Pennsylvania—to profess not to hear anybody on this side of the Chamber. It has become quite stale.

The only amendment made to that section is to add the words "to subscribe" in line 7 of the tenth page. This amendment proposes to insert in that section two words that evidently were inadvertently left out. That is apparent from a reading of the context. In considering this purely formal amendment the time of the Senate is taken up to read two pages of printed matter.

Of course, Mr. President, if the minority desire to take advantage of the situation that now exists, there being left only about seven days, excluding Sundays, between now and the time this session of the Congress will automatically expire, they can, by the unnecessary consumption of time, defeat this bill, and they can defeat the appropriation bills to provide money to pay the necessary expenses of preparedness which have had the sanction of their party.

I do not know why the minority apparently have reached the conclusion that there shall not be such legislation at this session as will be necessary to avoid the necessity of an extra session; but I feel quite confident that their attitude with reference to this little perfunctory amendment can mean nothing but a deliberate purpose to prevent the passage of this necessary legislation. The Senator from Pennsylvania consumes the time of the Senate about another matter which is so clear, which, looking at it even from his standpoint, is so irrelevant to the amendment, that the impression gained from their action with reference to the addition of the words "to subscribe" is further enforced.

Of course, Mr. President, the purpose for which these bonds are issued is well understood. On account of the Mexican situation—and the words are sufficiently descriptive to indicate what is meant—it will be necessary to raise \$162,000,000, the estimated expense of that situation, in order to reimburse the Treasury for money expended from the general fund to meet this indebtedness which was not provided for at the last session. At the last session of Congress it was stated and understood that no definite estimate was made or could be made as to the expenses of the Mexican situation. It was impossible to make a satisfactory estimate. It is always impossible, when you have a situation of that sort, until after the situation has developed itself more fully than it had at that time, to estimate closely what will be the cost. It was thought then by the department that the cost to December 31, 1916, of that situation would amount to about \$130,000,000. It has since been ascertained that it will amount to \$162,000,000 by June 30, 1917.

Because of the inability of the department to make a proper estimate, it was stated that there would be no provision in the revenue bill passed at the last session from which to pay the expenses of the Mexican situation, but that under the general law giving authority to the Secretary of the Treasury to issue Panama bonds the expense of that situation would be met by an issue of those bonds in whatever amount was necessary.

The Secretary did not issue those bonds, but from day to day has paid the expenses out of the general fund in the Treasury. That brought about a deficit of \$157,000,000. This bill proposes now to reimburse the Treasury of the United States, not an indefinite amount, but an amount estimated to be \$162,000,000. So that the bonds proposed to be issued in this title are to cover, first, the expenses incident to that situation up to June 30, 1917, estimated at \$162,000,000; the construction of the Alaskan Railroad, \$35,000,000; the armor plant, \$11,000,000; and the Danish West Indies, \$25,000,000, making \$233,000,000. We have authorized heretofore an issue of \$50,000,000 of Panama bonds to meet the expenses under the shipping act and \$20,000,000 for the cost of the nitrate plant, making \$70,000,000 of these bonds already authorized. That will make a total of bonds to be issued of \$303,000,000.

There are only \$222,000,000 of Panama bonds in the Treasury which can now be issued. That will make it necessary, in order to meet these expenses, to issue \$81,000,000 in new bonds; and this title authorizes the issuance of as much as \$100,000,000, not more—only as much as may be necessary, but not more than \$100,000,000 of bonds—to defray these expenses.

I do not think it is necessary to say anything further in reply to the questions and the argument of the Senator from Pennsylvania.

Mr. BRANDEGEE. Mr. President, of course I assume that the bill is now being considered for committee amendments only.

Mr. SIMMONS. The Senator is right. The amendment is found on page 10, line 7, and proposes to insert the words "to subscribe."

Mr. BRANDEGEE. I understand where the committee amendment comes in; but it seems to me the Senator from Pennsylvania was quite within his rights and quite justified in asking for information upon the language of this paragraph.

Section 400 provides:

That the Secretary of the Treasury is hereby authorized to borrow on the credit of the United States from time to time such sums as in his judgment may be required to meet public expenditures on account of the Mexican situation—

For one item. Mr. President, whatever may have been in the minds of the committee, I do not know, but that language, if it is left to stand as it is written, would allow the Secretary of the Treasury at any time in the future to issue bonds in such sums as in his judgment may be required to meet public expenditures, if they were only made on account of the Mexican situation.

Mr. SIMMONS. Does not the Senator lose sight of the fact that the issue is limited to \$100,000,000?

Mr. BRANDEGEE. I do not lose sight of that fact, and of course I do not mean that he could issue bonds in a greater amount than the act authorizes him to issue. So far as anything in the act is concerned, however, not one penny of expenditures made in the past in the conduct of military operations on our part in Mexico need be paid by these bonds, but if somebody should decide that the troops should be sent back into Mexico, and it were necessary to provide additional money, these expenditures made in the past could be left unpaid, and the entire amount authorized by this act could be used for future expenditures.

I call the attention of the Senator from North Carolina to the fact that I think there ought to be an amendment. If it is

designed to pay expenditures already made, the bill should so state; and at the proper time, if nobody else does it, I shall offer an amendment, after the word "expenditures," in line 12 of page 9, to insert the words "heretofore made."

Mr. SIMMONS. The Senator understands that this \$160,000,000 estimated for the Mexican situation includes the money that has already been spent on account of that situation and that which it is estimated will be spent during the remainder of this fiscal year.

Mr. BRANDEGEE. Of course, I had no understanding about it except the language of the bill, Mr. President.

Mr. SIMMONS. It is an estimate.

Mr. BRANDEGEE. That is the reason I was asking information of the chairman, as to whether I understood the chairman of the committee correctly.

Mr. SIMMONS. I do not know whether the Senator knows what I mean or not.

Mr. BRANDEGEE. I yield to the Senator.

Mr. SIMMONS. The bill authorizes the issue of \$100,000,000 of bonds. Upon the basis of \$162,000,000 expenditure it would require only \$81,000,000 of bonds to meet these different items; but we can not say with absolute definiteness what may be the increased expenditure on account of the Mexican situation between now and the end of the fiscal year. This, however, is to meet an estimate of \$162,000,000 for the Mexican situation up to the 30th day of June of the present fiscal year.

Mr. BRANDEGEE. Mr. President, that is simply to say, when anybody asks what this Mexican situation is, that Congress is asked to appropriate not to exceed \$100,000,000 to provide for it, a part of which the Senator says is to be spent away up until the end of this fiscal year. What is the Mexican situation now, that Congress is asked to appropriate it blindly without knowing anything about what it is to be used for?

On the admission of the Senator from North Carolina, if I understood the Senator from North Carolina correctly, I am not sure that I did, the Secretary of the Treasury already had authority to issue Panama Canal bonds to pay for this expenditure. If he had, I suppose he still has that authority, and if he has he can pay all the past expenditures made on account of the so-called Mexican situation out of the issue of Panama Canal bonds, and then he will have this fund for future operations in Mexico.

I do not know what to do about it. Of course, if the bill comes to a vote a majority will pass it in any language they have a mind to, and they seem to resent anybody asking for information or calling attention to the loose wording of the bill. But that shall not deter me from making such comments as I choose to make upon it from time to time, and I leave it there.

Mr. PENROSE. Mr. President, I only desire to call the attention of the Senate to what I consider a grossly inelegant, untechnical, unstatutory phrase which never has appeared, to my knowledge, in connection with financial legislation or bond issues. I challenge any precedent for the issuance of bonds for a "situation." It makes us ridiculous before the exchequers and treasuries of civilized nations to use such language. Certainly we ought to defer somewhat to the laws of grammar, to the elegancies of diction, to the phraseology which bankers and borrowers and creditors are accustomed to use. I have never heard of a customer going into a bank to float a note for a "situation," commendable as the situation might be, or to ask for a personal loan from an old friend upon the street for a "situation."

Mr. OLIVER. Mr. President, I call my colleague's attention to the fact that two months ago a very eminent lawyer testified that he was "attorney for the situation."

Mr. PENROSE. Yes. If we are going to use the vulgar parlance of the street in connection with fiscal phraseology, I would suggest the propriety of striking out the word "situation" and let it read "the Mexican mess." That would be a little more descriptive anyhow in its accuracy and equally technical. I have sufficient patriotism in my bringing up and in my education to want to preserve the high standards of statutory language, and I intend when the opportunity is offered and this paragraph again appears upon the floor of the Senate open to amendment to offer an amendment changing the phraseology of the Mexican "situation" or Mexican "mess" into more elegant and illuminating and definite and legal language, so that the vast army of citizens who will put the savings of their thrift into this \$20,000,000 of expenditure may know a little more clearly for what purpose it has been spent or is being spent. They may well feel puzzled as to how it has been spent or how it will be spent, for up to the present time the Mexican mess or the Mexican "situation" has hardly advanced an inch. It is just the same as it was when the famous phrases of "watchful waiting" and "too proud to fight" were submitted to the

patriotic consideration of the American people. We have been in and we have been out. I do not know whether we will go in and go out again or not, but certainly while we are committing these wanton acts let us observe the proprieties at least of appearance and clothe our performances in technical language.

Mr. WILLIAMS. Mr. President, the psychological "situation" or "mess," whichever it may be, of the Senator from Pennsylvania is supreme, it is almost sublime, but with it all it is quite amusing. Everybody who listens to the Senator from Pennsylvania knows that he is distressed neither in mind nor body in the argument which he has just been making. He wants to strike out the word "situation" and wants to substitute for it the word "mess." He tells us that by his bringing up he is better prepared to vote for the word "mess" than for the word "situation."

Now, what is the "situation" in Mexico? Let us be serious about it a while and talk about it earnestly, not merely in a partisan spirit, a spirit which concludes that any rack pin to hang a hat on to hurt the Democratic Party is a good rack pin.

What is the "situation"? Who knows what it is? How can we make a definite appropriation for a definite "situation"? Carranza has lately come out and given us notice that he stands among the three Americas—Central, South, and North American—in opposition to the President of the United States, and asking him to knuckle down quietly upon four fingers on the floor and submit to being kicked once more.

The universal opinion of the party to which the Senator from Pennsylvania belongs is that the President has been kicked enough already. If there is any criticism of him at all, it is not that he has not gone far enough, but that he ought to have gone further; not that he has not acted quickly enough, but that he ought to have acted more quickly. I am not agreeing with those criticisms, because they are your criticisms floating in the circumambient political atmosphere from Massachusetts clear on through wherever there is a Republican who is bent upon attacking the President of the United States.

Mr. President, it does not make any difference whether you call the Mexican "situation" the Mexican "mess"; it is a messed-up situation. There is no doubt about that. It is a mess because there was nothing that we could do that would have kept it from being an uncontrollable sort of a bad situation, unless we had been willing to put the American people in for a worse mess than the Mexican people were already in.

What are you going to do with those people? Suppose you stop "the watchful waiting" of which you make so much fun, and suppose that 35,000 American troops headed by the Senator from Pennsylvania [Mr. PENROSE] go down to reduce Mexico to order—perhaps the Senator from Connecticut [Mr. BRANDEGEE] acting as his lieutenant—what are you going to do with them?

Mr. PENROSE. Will the Senator permit me?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Pennsylvania?

Mr. WILLIAMS. I yield most gladly to hear the answer to that question.

Mr. PENROSE. In all my criticism of the Mexican situation I never offered to go down there myself. I early became convinced that I exposed too much surface to the enemy.

Mr. WILLIAMS. I am the last man in the world to doubt the physical courage of the Senator from Pennsylvania. I know he is just as brave as I am or anybody else. I did not mean to infer that he was not going with the idea of saving his own hide. Of course I knew he was not going. I knew that by my knowledge of myself and by my knowledge of the Senator from Pennsylvania. I knew neither one of us was going, but I also knew that a good many American boys would have to go if we are going to have that trouble. I also know that the Senator from Pennsylvania knows that there is no way of defining the Mexican situation. The fingers of a great European power have already been playing with the Mexican pulse. We have already received from Carranza an intimation of what might happen. We have also received an intimation of the same great foreign nation playing with the pulse in Cuba. The Senator from Pennsylvania knows those facts as well as I do. He knows that if we make a provision for bonds to meet the Mexican situation, that situation must remain indefinite, because we can not define it. We can not define it because its definition remains with Mexico and with the European pulse finding and feeling power in Mexico.

Of course the Senator from Pennsylvania knows all that. There is no man in this body with better sense than he. Whatever else may have been said about him at any time or whatever else may be said about him now, his intellectual acumen is almost perfect. He knows the situation in Mexico as well as I do, and he knows that neither he nor I know that it is a definite

situation and that it is "a mess," as he calls it, and that calling it "a mess" does not help "the situation."

The American people somehow or other right now have got to stand shoulder to shoulder against foreign aggression. It would not be becoming to be too specific in saying what that foreign aggression is, but the Senator knows it as well as I do. He perhaps knows it better because he has a better individual intellect than I have.

Now, Mr. President, after you are through with it all, the Senator tells us that here is a bond put upon the market to meet "a situation"; that he never heard of anybody being economically armed with sufficient business penetration to subscribe for bonds "to meet a situation." What a man subscribes to is the bond and it is not the situation. Whenever the United States Government puts out a bond to meet its possible expenses for the purpose of meeting a situation announced to them, the United States therefore necessarily becomes sponsor. The situation is elastic; the bond is a definite thing.

Speaking for myself, and I think speaking for the Senator from Pennsylvania, if we had a few hundred dollars to spend we would not have the slightest hesitation about the security. The Senator, of course, knows he has been playing with the galleries and has been playing with the public and has been playing with the Senate. He does not mean one word that he says. He knows as well as I do that the business value of that bond issued by the United States is not in the slightest degree embarrassed by the use of the word "situation."

By the way, the word situation is not a very indefinite word. It means the sitting place of the nation at that time as well as the nation can discover a sitting place. If the Senator knows what our situation in Mexico is he knows a lot more than I do. It is a thing apt to be developed in any minute to mean something totally unexpected. As Disraeli says, "It is the unexpected that always happens."

Now, why does the Senator from Pennsylvania come in here about once a month to break my pair in order to produce a case of discord and lack of harmony in the national defense?

Mr. PENROSE. I protected the Senator from Mississippi for nearly two weeks in January.

Mr. WILLIAMS. He did. There is no doubt about that, and he protected me most nobly. That does not discount the fact that I have protected him for about two years. But let that go.

Why should he come here and try to create discord about nothing, about a word, a difference between "a situation" and "a mess"?

By the way, I do not know what the word "mess" means. The word "mess," if anything at all, means a nasty situation and a bad situation, something worse than a sweet situation. The worse the situation is the more money we will need to meet it. The more unexpected the situation will be the more we will need to be prepared for it.

My friend from Pennsylvania is one of the most genial men who ever lived. He is all right in every respect except when his partisanship is aroused. It makes a man like me, who is really patriotic, sigh with grief when I view his partisanship. Whether it is some old Federalist doctrine or whether it is a new plutocratic doctrine makes no difference, the Senator from Pennsylvania is equally strenuous in his support of both. I remember only a few years ago when the Senator went back to Pennsylvania to be an uplifter, when he made up his mind that this modern party that calls itself "progressive" could not "outprogress" him upon any question in the world. But just as soon as he got himself safely seated in the Senate his progressivism and his upliftism expired by their mutual consent and by his consent, too.

I hope the Senator will not insist upon introducing the word "mess" upon an American statute in order to cure the indefiniteness of the word "situation," which he knows to express a real and practical indefiniteness and not merely an indefiniteness of language.

Mr. President, the time will come some day when the biographies of statesmen will be written, and the biography of the Senator from Pennsylvania will be written, too. I promise not to eulogize him during his lifetime for fear I might do him harm, but after he is dead, if he shall die before I do, I shall pronounce a eulogy upon him for some good for which he is entitled to be remembered. I do not want the Senator to present himself to the American people as offering an amendment to substitute the word "mess," which is very indefinite, if not of doubtful construction, for the word "situation," which is about as definite as we can make it, especially when he remembers, as I remember, that the bond is for this specific thing, and he will be mighty

glad to have a few of them if he has money enough to buy them, and so will I.

Mr. PENROSE. Mr. President, I do not intend to pursue this matter any further. I am anxious to facilitate the passage of this measure and to help to perfect it. So far it is the fact that I have been completely ignored with my colleagues in the minority in our patriotic efforts to prune out some of the inconsistencies in the measure. I rose in good faith to call attention to the impropriety of the word "situation" in connection with a bond issue, and tried to accentuate my objections by saying the word "mess" might just as well have been used. When the paragraph appears in the Senate I shall offer proper technical language in connection with the issue of the bonds.

I know that the credit of the Government is the bond, but the knowledge of the purpose of the loan is a test of the popularity of the loan. If the loan is for a purpose offensive to the American people or unpopular among them, there will not be that ready contribution that there would be where universal approval is voiced for the bond issue from the Atlantic to the Pacific Ocean. I can easily imagine how an aroused public sentiment perhaps might ridicule this performance of borrowing money for a "situation" so that men might well hesitate to subscribe with any great zeal, and the bonds, perchance, might not be floated upon as favorable conditions as might have prevailed had a little more decorum been preserved in issuing them. So I will not pursue the matter further at the present time.

As to the Mexican situation I shall say briefly that I am one of those who look on it as constituting the most deplorable chapters in the history of our foreign relations. Vacillation, infirmity of purpose, ignorance of conditions, and inexperience with the rules and amenities of international intercourse have brought us to a condition in Mexico where we incur nothing but contempt. Had the situation been taken up firmly in the beginning, upon the lines of definite and recognized diplomatic procedure, with the recognition of the de facto government in conjunction with the other nations of the world, we would not have had this condition. A few thousand men, had the necessity arisen, could have gone into Mexico then when the American citizen was respected and feared and American rights were respected and honored, just as they went 70 years ago under Scott and Taylor and marched into Mexico with five or eight thousand men and conquered the country. But having once sunk to the lowest level, as a people branded with cowardice, and with a Government prompted only by infirmity of purpose, 150,000 men on the border and far into the interior were unable to hunt to cover a bandit with a few hundred followers. It is a lamentable situation and it is a complicated one, but all the trouble has arisen from the ignorance and incapacity of those whose duty it was to have taken hold of the matter early and firmly, until the situation as described in this bill has cost several hundred million dollars and may cost several hundred million dollars more.

The PRESIDING OFFICER. The question is on agreeing to the amendment. Without objection, the amendment is agreed to.

Mr. SHERMAN. Mr. President, do I understand we are still on the bond question?

The PRESIDING OFFICER. That amendment was agreed to without objection.

Mr. OWEN. Mr. President—

The PRESIDING OFFICER (Mr. SHEPPARD in the Chair). Does the Senator from Illinois yield to the Senator from Oklahoma?

Mr. SHERMAN. Yes, sir.

Mr. OWEN. May I ask the indulgence of the Senator for just a moment?

Mr. SHERMAN. Yes, sir.

Mr. OWEN. I wanted to ask if we might not agree that on Monday we might take the first hour after meeting to dispose of the amendments to the Federal reserve act? It is quite an important matter, and I have been trying for weeks to get it concluded. I do not think it will take over a half or three-quarters of an hour.

Mr. THOMAS. I hope the Senator will not make that request in the absence of the chairman of the Finance Committee.

Mr. SIMMONS entered the Chamber.

Mr. THOMAS. I see, however, that the Senator from North Carolina has come in.

Mr. SHERMAN. May I ask the Senator from Oklahoma if this is the bill that authorizes the member banks of the Federal Reserve System to charge exchange rates?

Mr. OWEN. The members of the system have a right to charge whatever rates they please, and they have always had it since the act passed. This bill does not deal with that.

Mr. SHERMAN. As it is now, though, if I understand correctly, the exchange is limited to the cost of transacting the exchange business.

Mr. OWEN. No; there is no statute about it. They are at liberty to charge what they please. They seem to have gotten the impression that this bill proposes to deal with the matter of exchange, and forbids them to charge exchange. The bill does not do that. The report has been printed and is before the Senate.

Mr. SHERMAN. The bill, if I have read it correctly, would put it in the power of the Federal Reserve Board to authorize the national banks to charge a reasonable rate of exchange, and the board would fix the rate.

Mr. OWEN. I do not so interpret it. The report speaks for itself; but that matter could be considered if we could arrive at some agreement.

Mr. SHERMAN. I am opposed to the bill in its present form, Mr. President, and could not yield for that purpose, because it occurs to me—

Mr. WEEKS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Massachusetts?

Mr. SHERMAN. For a question.

Mr. WEEKS. I wanted to say that there are several features in this proposed legislation. One of them, at least, is as important as any matter with which the Senate has to deal. It has to do with getting into the Federal reserve banks as much of the floating surplus gold as can be done within a reasonable time; and I hope an effort will be made to get action on this bill. There may be features of the bill which Senators will want to oppose, but I am confident that they will not oppose that particular proposition.

Mr. SIMMONS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from North Carolina?

Mr. SHERMAN. For a question.

Mr. SIMMONS. Mr. President, in the present situation, at this particular time, I can not consent to laying aside the revenue bill either to-day or to-morrow for the bill presented by the Senator from Oklahoma.

Mr. OWEN. I suggested Monday, not to-day or to-morrow.

Mr. SIMMONS. A little later I may be able to consent to that; but I hope, for the present, that the Senator will not press that request.

Mr. OWEN. I withdraw the request, under the circumstances.

Mr. SHERMAN. Does the Senator desire to lay the revenue bill aside?

Mr. SIMMONS. No; I do not.

The PRESIDING OFFICER. No; no such proposition as that is before the Senate.

Mr. SHERMAN. I will proceed with my comments, then.

[Mr. SHERMAN resumed and concluded his speech on February 24.]

GEN. FUNSTON.

Mr. THOMPSON. Mr. President, the sudden and untimely death of Maj. Gen. Funston, who had served his country so bravely and brilliantly for many years, came as a great shock to the Nation. By his death Kansas lost the greatest soldier she ever produced.

It was my privilege to know Gen. Funston personally when I lived in Allen County, Kans., where he made his home from the time he was about 2 years old. After reaching manhood he was not at his old home much of the time, but I saw him occasionally when he returned on visits. One of my first official acts was to call the attention of President Wilson to this worthy officer of the Army and to the fact that justice demanded he be made a major general at the first opportunity; and it was indeed pleasing to me and to the people of Kansas when the President finally gave him his deserved recognition by advancing him to the high rank of major general November 18, 1914.

Gen. Funston's death is not only a great loss to Kansas but is a greater loss to the entire Nation. This is especially true at this particular time when military genius means so much to the Nation. Gen. Funston was a natural-born soldier. He was a military genius with no superiors and with few equals. He never had military schooling or special military training, but the instincts of a soldier and the peculiar characteristics of a commanding officer were born in him. Without military training he went to Cuba and cast his lot with that brave and courageous people who were fighting for liberty, and while thus engaged he attained distinction as an officer. After his last battle in which he was wounded, he was captured by the Spanish, and it was only by his quick natural wit that he was

able to gain freedom, claiming to be an American newspaper reporter and in sympathy with the Spaniards. His achievements as an officer in the Cuban Army in over 20 battles favorably commended him to the Army of the United States. When the Spanish War began he was appointed colonel of the Twentieth Kansas Volunteer Infantry, and he made that regiment famous. His personally planned capture of Aguinaldo, the Philippine rebel chief, on March 23, 1901, which terminated the rebellion, was such as to give him prominence throughout the world for daring, courage, and successful execution of difficult military plans.

With only four American officers and 78 native Macabebe scouts and three Spaniards, Gen. Funston undertook this difficult task by marching from Manila to Palanan, in the interior of Luzon, where Aguinaldo had his headquarters. The general, with the other Americans, pretended to be prisoners of the Philippine scouts. Letters were sent to Aguinaldo purporting to come from Gen. Lacuna, who was associated with Aguinaldo in the rebellion against the United States, stating he was sending a number of fine troops for the personal use of the Philippine president, who had captured and made prisoners a number of American members of a surveying party, and also requested that Aguinaldo send them an escort and supplies. Aguinaldo complied with their request, and implored the Macabebes, who pretended to be rank insurgents, to treat the white prisoners kindly. As they approached the headquarters they were greeted by Aguinaldo personally, with a fine bodyguard of troops, who received them with great pomp and ceremony. The troops of Gen. Funston, by prearrangement, surrounded the headquarters and marched in front of Aguinaldo's troops. Aguinaldo retired to the house, and Gen. Funston immediately assumed command, and an order was given, "Now, Macabebes, go for them!" This command was followed by a brisk firing of guns and a general scattering of Aguinaldo's troops. Aguinaldo, hearing the shots and mistaking them for signs of festivities and being short of gunpowder, rushed to the window and shouted, "Stop that foolishness! Don't waste ammunition!" He was immediately seized by one of the officers throwing his arms around him, and was then rushed to the coast and taken to Manila, which put an end to the rebellion.

Gen. McArthur said of this victory at the time:

The transaction was brilliant in conception and faultless in execution.

President McKinley, in an autograph letter, wrote the following concerning Gen. Funston's regiment:

EXECUTIVE MANSION,
Washington, September 30, 1899.

The American Nation appreciates the devotion and valor of its soldiers and sailors. Among its hosts of brave defenders, "the Twentieth Kansas" was fortunate in opportunity and heroic in action, and has won a permanent place in the hearts of a grateful people.

WILLIAM MCKINLEY.

On October 10, 1899, the Twentieth Kansas Regiment entered Golden Gate, San Francisco, on its return home, where it was greeted by the governor of Kansas and other distinguished Kansans and given a triumphant welcome all the way from San Francisco to the capital of Kansas. On November 3, 1899, a grand reception was tendered the members of the regiment by the people of Kansas at Topeka, where men, women, and children came in great crowds from all sections of the State to welcome and to honor the brave "Twentieth Kansas boys," who had accomplished so much for the Nation and added so many pages of glory to the history of the State. Gen. Funston was presented with a gold sword set in diamonds purchased by popular subscription.

Promotions came to Gen. Funston rapidly until he became brigadier general of the Army April 1, 1901, when his youth and the fact that he rose from the volunteer service interfered with his further advancement for over 13 years. Both President Roosevelt and President Taft promoted other Regular Army officers over him who were his senior in years but had performed no special distinguished service. Gen. Funston almost despaired of promotion, but with characteristic tenacity he stuck to the Army until he received his coveted reward. He accepted his fate philosophically and in good spirits, as is shown in a letter to me of October 17, 1914, in acknowledgment of his appreciation of my interest in his behalf, as follows:

HEADQUARTERS UNITED STATES EXPEDITIONARY FORCES,
Vera Cruz, Mexico, October 17, 1914.

HON. WILLIAM H. THOMPSON,
United States Senate, Washington, D. C.

DEAR SENATOR THOMPSON: I can not tell you how much I appreciate your action in writing the President and Secretary of War in my behalf, I being especially grateful for what you did because it was an entirely voluntary act.

I hear that I am again to be passed over in the matter of promotion. I suppose that my principal crime is still my "youth." God save the mark. I used to be young, but have been getting over it at the rate of 365 days per year. I have marked time for 13 long years, not

counting my two years as a brigadier general of Volunteers. But what is the use of being unhappy about it? Really, I am lucky to be alive and to have such a good and beautiful wife and such adorable children. Under such treatment nine out of ten men would find it hard to be loyal and to do their duty, but somehow I do not. It will not make any difference.

Again thanking you for your interest in me, I am,
Yours, very sincerely,

FREDERICK FUNSTON.

As he advanced in rank in the Army, he immediately assumed and mastered all the higher responsibilities devolved upon him. He discharged with fidelity every trust and duty placed upon him in the most satisfactory manner. There was no military commander since the Civil War whose fighting qualities and brave exploits so endeared him to the people as the little hero who fought with Gomez and Garcia for 18 months as commander of the Cuban artillery, and with the Twentieth Kansas Volunteers against the Spaniards and ladrones in the Philippines. While his dashing and picturesque capture of Aguinaldo gave Gen. Funston his greatest prominence, and made him a brigadier general, yet he performed services to his country far more difficult and of much greater value.

When San Francisco was falling into charred ruins and its terrified inhabitants fled to the hills in disorder and uncontrolled lawlessness prevailed, it was Gen. Funston at the head of the Regulars who brought order out of chaos. He met every requirement of that awful situation and won the confidence and esteem of not only the citizens of California but of the entire Nation, who all greatly sympathized with the people of that unfortunate city.

He played well his part in the Vera Cruz campaign, and has received praise from everywhere for his successful management of military affairs on the Mexican border. The American troops had only been in Vera Cruz a short time when a Mexican general sent him a message stating that he was unable to longer restrain his troops which were about to advance and drive the Americans into the sea. Gen. Funston sent back one of his characteristic replies, saying, "If you can not hold your troops back, I can." This was in line with his famous reply to Gen. Otis when he asked him, "How long can you hold your position, Funston?" and he replied, "Until my regiment is mustered out."

Concerning his death, and services in Mexico, the Secretary of War, Mr. Baker, made this statement:

Gen. Funston's death is a loss to the Army and a loss to the country. During the trouble on the Mexican border his work has been difficult, exacting, and delicate. His conduct has been that of a soldier, and he has exemplified the high tradition of the American Army by his quick, intelligent, and effective action. Throughout it all the sympathy between Gen. Funston and the department has been complete and no shadow of disagreement has arisen.

Gen. Funston's life was a career of continual adventure and reads like a novel, and is one that appeals to every patriotic young man of the country.

While still a student at the Kansas University he went on an exploring expedition to Colorado in places in the Rocky Mountains which were difficult of access, and worked as guide to earn money to pay his expenses. A few years later his father, Hon. E. H. Funston, who was a Member of Congress from the second Kansas congressional district from 1884 to 1894, secured his appointment as a botanist to accompany a party of Government surveyors to explore Death Valley, where he spent seven months. He next went on a daring adventure to Alaska, and on his return trip went down the Yukon River in a small canoe which he built himself and made the perilous trip of over 1,500 miles down the river alone. As he neared the end of his journey the boat capsized and he struggled for his life in the icy water. He succeeded in saving himself only to be threatened with death from cold and starvation, but fortunately came across a missionary post where he took refuge, but he became sick and nearly died from pneumonia.

While in Cuba, leading a cavalry charge, he was wounded in both lungs, his horse was shot from under him, falling upon and crushing his right leg, and while he was endeavoring to crawl to the Cubans he was captured by the Spaniards, making a hairbreadth escape. His skill and daring at Rio Grande de la Pampanga, Luzon, for which he was awarded a medal of honor; his bravery, exemplified by the execution of his plan for the capture of Aguinaldo; his executive power in peace, shown as department commander in San Francisco, Portland, Denver, St. Louis, Chicago, and Manila, and his long experience as a commanding general, and particularly his recent valuable services rendered at Vera Cruz and on the Mexican border, all mark a life of activity and usefulness worthy of the highest commendation of every American citizen.

Gen. Funston was born at Newcastle, Clark County, Ohio, November 9, 1865, and died at San Antonio, Tex., February 19, 1917, leaving a wife and three children, who now reside at San Francisco, Cal. He was particularly devoted to his mother, who

still survives him, and whom he visited at the old home on every possible occasion. He was a lover of children and music, and it is an interesting coincidence that he was playing with a little child and listening to the hotel orchestra playing The Blue Danube waltz, of which he had just remarked "How beautiful it is," when the death summons suddenly came.

After his mastery of the Vera Cruz and border situation it was not difficult to conceive a second "Chapultepec" of Mexico as peaceful as the campaigns in the Philippines, and I have often thought that had Gen. Funston been given a free hand at the border and placed personally in charge of an expedition into Mexico he could have returned with Gen. Villa to answer to this country for the murders which he and his men had committed in the Columbus massacre. He knew no fear. He was venturesome and resourceful beyond measure. While, like Napoleon, he was only a small man in stature, barely 5 feet 5 inches in height, yet he was a great fighter and may well be called the "little hero of Manila and Mexico." His great achievements prove him one of the most skillful, hard-working, and successful soldiers of our country, and he has brought to Kansas a fame unsurpassed by any of her greatest sons. He wore the uniform of the United States with the greatest honor and distinction, and at the age of only 51 he died, the youngest of our major generals. In the present impending crisis it will be difficult to fill his place. Kansas and the Nation sadly mourn their great loss.

THE REVENUE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 20573) to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes.

Mr. PAGE obtained the floor.

Mr. CURTIS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

| | | | |
|-------------|------------------|----------------|--------------|
| Ashurst | Fernald | Martin, Va. | Smith, Mich. |
| Bankhead | Harding | Martine, N. J. | Smoot |
| Borah | Hollis | Newlands | Swanson |
| Bryan | Hughes | Norris | Thomas |
| Catron | James | Overman | Thompson |
| Chamberlain | Johnson, S. Dak. | Page | Underwood |
| Clapp | Kenyon | Penrose | Wadsworth |
| Clark | Kirby | Pittman | Warren |
| Colt | La Follette | Polindexter | Watson |
| Culberson | Lea, Tenn. | Reed | Weeks |
| Cummins | Lee, Md. | Sheppard | Works |
| Curtis | Lewis | Sherman | |
| Dillingham | McCumber | Shields | |
| Fall | McLean | Simmons | |

Mr. MARTINE of New Jersey. I have been requested to announce that the Senator from Mississippi [Mr. VARDAMAN] is detained in committee on work of the Senate.

The VICE PRESIDENT. Fifty-three Senators have answered to their names. There is a quorum present.

Mr. WATSON. Mr. President, will the Senator from Vermont yield to me for a minute?

Mr. PAGE. I have been asked by the Senator from Illinois [Mr. LEWIS] to yield to him for a moment.

Mr. LEWIS. Mr. President, I desire, with the Senator's consent, appreciating his courtesy, to submit an amendment to the pending bill. I ask to have the amendment read and lie on the table.

Mr. SIMMONS. Does the Senator desire to have the amendment read? Would it not be agreeable to him to have the amendment printed in the RECORD?

Mr. LEWIS. If the Senator thinks it will take too much time to have the amendment read, I shall be glad to adopt his suggestion.

Mr. SIMMONS. I think it would be better to have the amendment printed in the RECORD without reading.

Mr. LEWIS. As I do not wish to consume time unnecessarily, I shall be glad to avail myself of the Senator's suggestion. It is an amendment conferring power upon the President of the United States to seize foodstuffs held in violation of public policy. I ask, then, that the amendment be printed in the RECORD. I thank the Senator from Vermont for yielding to me.

The VICE PRESIDENT. Without objection, it is so ordered. The amendment is as follows:

Amendment intended to be proposed by Mr. LEWIS to the bill (H. R. 20573) to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes, viz: Insert the following:

"SEC. —. That whenever to the knowledge or information of the President of the United States there are circumstances sufficient to justify him, in his judgment, to proclaim that the food and necessities of life of the citizen of the United States is being monopolized and wrongfully held by persons in the United States for the purpose of

unjust increase in price, and whenever such increase of price, to the judgment of the President of the United States, upon facts to his knowledge, is in pursuance of the violation of existing laws of the United States forbidding monopolies and conspiracies to monopolize the necessities of life, the President of the United States may, by proclamation, proclaim the fact so established. That then and there, in any court of the United States, process may be filed by any United States attorney for the seizure of such foods as held in violation of law and which are necessary to the maintenance and life of a citizen of the United States.

"SEC. —. That such seizures provided for in section 1 of this act may be made by any officer of the law of the United States or by any officer of any State who may be authorized to serve as an officer of the United States in conjunction with any officer of the United States or by authority or order of the President of the United States through Executive order.

"SEC. —. That the said foods, when seized, may be at once disposed of at public sale in such manner as shall be judged as proper by the officers of the law to whom judgment in condemnation is now authorized by law in matters of condemnation now provided for the United States Government, the goods so condemned to be disposed of to those whose necessities are first to be relieved. The price to be obtained from such products shall be no higher than such rates as shall be prescribed by such department of the Federal Government as may be designated at the time of the President's proclamation by the President of the United States. Said sale shall be in a public place and upon limit in such quantity to each purchaser as shall be prescribed as a minimum to the due and proper necessity of those whose necessities are the object of this act.

"SEC. —. That when any goods or foods are so seized same shall be paid for by the United States upon the basis of the fair market value; that whenever the said market value is declined said goods or foods shall be the subject of condemnation, and the fair market value arrived at by the said condemnation proceedings submitted to a jury in such courts as have jurisdiction in condemnation proceedings at the instance of the United States; that the seizures herein prescribed may be had peremptorily; that the sales and disposition to those whose necessities justify shall be had promptly, without delay, to the object of preventing a monopoly of foods inflicting upon the citizens the penalty of hunger and the vicissitudes of need.

"SEC. —. That all acts or parts of acts in conflict with this act are hereby repealed."

Mr. NORRIS. Mr. President, would the Senator from Vermont be willing to permit the next amendment to be read before he proceeds? I have an amendment that I want to offer, and I would like to discuss it briefly. Would it discommode the Senator to defer his remarks until the conclusion of that?

Mr. PAGE. I shall be very glad to yield to the Senator.

The SECRETARY. The next amendment of the committee is on page 11—

Mr. SIMMONS. Mr. President, was the amendment on page 10 agreed to?

The VICE PRESIDENT. The Secretary informs the Chair that it was agreed to.

The SECRETARY. On page 11, after line 4, it is proposed to insert a new section, as follows:

SEC. 401. That the Secretary of the Treasury in his discretion is hereby authorized to borrow on the credit of the United States a sum not exceeding \$63,945,460 and to prepare and issue therefor bonds of the United States, the proceeds of such bonds to be applied to the redemption on August 1, 1918, of the bonds of the 3 per cent loan of 1908 to 1918 authorized by the act approved June 13, 1898, and then maturing, such proceeds to be applied to no other purpose: *Provided*, That in his discretion the Secretary of the Treasury is hereby authorized to receive at the Treasury prior to August 1, 1918, any of the bonds of the 3 per cent loan of 1908 to 1918 maturing on such date and to issue in exchange therefor an equal amount of bonds of the United States herein authorized: *Provided further*, That the bonds herein authorized shall be in such form as the Secretary of the Treasury may prescribe, redeemable and payable at such times within 50 years from date of issue as the Secretary may direct, bearing interest payable quarterly at a rate not exceeding 3 per cent per annum, and the bonds herein authorized shall be payable, principal and interest, in United States gold coin of the present standard of value, and both principal and interest shall be exempt from all taxes or duties of the United States as well as from taxation in any form by or under State, municipal, or local authority, and said bonds shall not be receivable by the Treasurer of the United States as security for the issue of circulating notes to national banks: *Provided further*, That said bonds may be disposed of by sale or exchange by the Secretary of the Treasury at not less than par, under such regulations as he may prescribe, and in case of sale all citizens of the United States shall be given an equal opportunity to subscribe therefor, but no commissions shall be allowed or paid thereon, and a sum not exceeding one-fifth of 1 per cent of the amount of bonds herein authorized to be issued is hereby appropriated out of any money in the Treasury not otherwise appropriated to pay the expenses of preparing, advertising, and issuing the same and the expenses of refunding the bonds of the 3 per cent loan of 1908 to 1918: *Provided further*, That nothing herein shall be construed as modifying section 11 of the act approved March 14, 1900, authorizing the refunding of the bonds of the 3 per cent loan of 1908 to 1918 into 2 per cent consols of the United States bearing the circulation privilege.

Mr. NORRIS. Mr. President, I offer an amendment to the committee amendment, which I send to the desk.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. It is proposed, at the end of the amendment, to insert the following:

Provided further, That in lieu of any of the bonds provided for in this act the Secretary of the Treasury is hereby authorized, in his discretion, to issue serial bonds of the United States, maturing in equal amounts from 1 year from date of issue to 25 years from date of issue at a rate of interest not exceeding one-fourth of 1 per cent in excess of the rates provided for in this act.

Mr. NORRIS. Mr. President, I want to explain the amendment briefly, and I should like to have the attention of the Senator from North Carolina particularly.

This amendment, in substance, gives to the Secretary of the Treasury the right to issue serial bonds instead of the bonds provided for in this act. I listened with a great deal of interest the other day to the address of the junior Senator from Massachusetts [Mr. WEEKS] on this subject, and I am satisfied that all of those who listened to that address on the question of a comparison of serial bonds with the bonds provided for in this act were impressed with the idea that a great deal of money could be saved by issuing serial bonds, even though the rate of interest were higher.

I have provided in the amendment that if the Secretary issues serial bonds he can increase the rate of interest one-quarter of 1 per cent. I have made it discretionary with the Secretary whether he shall issue such bonds or the bonds provided for in the act as it stands at present.

Taking the figures given me by the Senator from North Carolina as to the amount of bonds provided for in this act, and making a rough computation at my desk here in the last few minutes, I have found that if the Secretary availed himself of the right given him here in this amendment, and it was necessary for him to increase the rate of interest one-quarter of 1 per cent, and then issue serial bonds instead of those provided for in the act, he would save in interest the sum of \$279,000,000. That saving would be spread out over 50 years of time; but, Mr. President, if we can save that much money, it seems to me that, even though it takes 50 years to save it, we ought to avail ourselves of the opportunity.

There is another point in it. If we issue the bonds that are provided for in this bill they will be like bonds that have been issued in the past; no provision will be made for their payment. They will mature, and we probably will be issuing refunding bonds instead of paying them off at the expiration of the time they are to run. If serial bonds are issued, however, one twenty-fifth of them will be paid off each year, and at the end of 25 years they will all be paid, with a saving of more than the face of the bonds in the end. If you will compute the matter just briefly with a pencil you will find that we are paying more in interest than the principal of the bonds will amount to, and at the end of the 50 years the principal will still remain to be paid. If we provide for a sinking fund, as was so well demonstrated by the Senator from Massachusetts the other day, even though we invest the sinking fund, there is always danger of that large amount of money being misappropriated, mishandled, or honestly lost. If it is not invested, we have kept it out of circulation; and there would have to be somewhere in the neighborhood of \$300,000,000, in round numbers, in the sinking fund to pay these bonds at the time they matured.

I earnestly hope that the Senator from North Carolina will not object to this amendment. I have not made it compulsory upon the Secretary of the Treasury to issue bonds of this kind. The Government of the United States, as I understand, has never issued bonds of this kind. The Secretary never has been authorized to issue bonds of this kind. It is the modern method resorted to now by most of the municipalities issuing bonds at the present time; and it seems to me there could be no possible objection to at least giving to the Secretary of the Treasury the discretion of issuing these bonds instead of the others provided for.

Mr. SIMMONS. Mr. President, in behalf of the committee, I am inclined to make no objection to the amendment offered by the Senator from Nebraska.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. PAGE. Mr. President, I doubt if there is any State in this Union that is so vitally affected by the so-called Underwood amendment as the State of Vermont. I dislike to take the time of the Senate in discussing a proposition which has been already so well discussed by the Senate; but it seems to me that the duty is incumbent upon me to say a few words, because the State I in part represent is so vitally interested.

Something like 30 years ago the agricultural interests of Vermont were very materially depressed. Our farms were selling for a very low price. Our boys, as they became young men, thought they saw, and they probably did see, in the West a greater opportunity for success; and they left the farms where they had been brought up and went off to help build up the other States. Even to-day Vermont suffers immensely because of this tendency of our young men; and when I say "our young men" I may specify, perhaps, by saying that it is the more progressive and enterprising of our young men who go away from the State. The last census shows that we have

407,000 natives of Vermont in this country, and yet, sir, only 250,000 of them live within the borders of the State.

The result was that our farms reached a very unfortunate condition as to the quality of the land. The quality of the soil was depreciating from year to year. Our sheep industry, which in the early seventies and eighties was a most important industry, had gone backward until in 1890 we had very little of that industry left in our State. We formerly raised some wheat. We raised a goodly amount of cereals. We raised a good many hops. But along in the latter part of the nineteenth century, say about 1890, our farmers became more interested in dairying, and from that time until the present our State has been improving. Our farmers have been more prosperous, our young men in larger numbers are staying at home, and to-day the dairying interest is the one great industry of our State.

Perhaps I ought to qualify that statement. It is true that we produce more than 50 per cent more marble than all the other States of the Union combined; and, barring Pennsylvania, which is the great slate State, we produce more slate than all the rest of the Union. In 1907 we stood third, I think, among the granite-producing States; in 1909 we were second; in 1911 we were first. I think I am right about these dates. It is not material about the exact years; but from 1912 forward we have been the great granite State of the Union, producing by far more granite than any other State, and of a better quality. We produce more scales than any other State, and I do not know but that we produce more than all the other States of the Union. As I came down from my home last month I picked up one of the menus in the dining car, and there I found this sentence:

Vermont produces more maple sugar than all the rest of the Union combined.

With all of these industries standing out so prominently, perhaps I ought not to say that the dairying industry is the one great, leading industry of our State; and yet that comes very near being the truth, because our farmers to-day are devoting their energies largely to the dairy and to poultry.

The Senator from Alabama [Mr. UNDERWOOD], in his debate upon the butter industry, told us the other day that butter was made without any Federal inspection. I do not know but he is right about that; but he might have said that the butter industry of Vermont, of Maine, and, I think, of most of the other States, is inspected very, very closely; and to-day there is no industry that in my judgment is conducted with greater reference to purity and to health than the butter industry.

As I said in my remarks the other day, our farmers take their milk in the early morning and put it in closed containers, cans that are absolutely clean and that are thoroughly scalded every day in order that there may be nothing septic about them. It is then taken to the creameries; and I want to say to any Senator here that if he wishes to see the best possible evidence of cleanliness and of purity he may go to our Vermont creameries, and he will there find it.

Mr. President, it seems to me that a gross wrong is done to my State when a Senator will stand up and say that the butter product of the country is 61 per cent impure. I do not know where the figures come from. I remember that they were taken several years ago; but any one who is conversant with the butter industry knows that such a statement is an absolute insult to the intelligence of the people. The people of the dairying States know that it can not be true, I care not where the statement comes from.

I want to read, if I may be permitted, the statement made by the Senator from Alabama [Mr. UNDERWOOD] in which he speaks of the unwholesomeness of our butter product. I thought I had it before me so that I could turn to it in a moment, but I do not seem to find it. I know he made charges against this great industry that ought not to have been made in the United States Senate.

Mr. President, I wish to follow a little further the conditions in my own State. In 1890 we began to improve upon the methods of butter making. We began to improve the breeds of our cattle. The old native cow, with very few exceptions, is no longer found in Vermont. We have some known as "grades," but the great majority of our farmers to-day have the Jersey, the Guernsey, the Ayrshire, and a few of the Holsteins. I want to say that Vermont expends annually each year thousands upon thousands of dollars to eradicate tuberculosis. To-day, as was well said by my colleague yesterday, we regard any farmer who will permit tubercular cattle in his herd as almost a public enemy. We have great pride in our dairying industry; and any one who wishes to ascertain this truth has only to go to Vermont to see that every effort that can possibly be made is made to give Vermont a pure dairy product.

The same is true in regard to our sugar. A few years ago it was the custom rather than otherwise for a farmer to mix granulated sugar with his maple product. But the State has taken it upon itself to remedy this matter, and to-day there is a heavy fine imposed upon any man who adulterates his maple sugar. The fact is, Mr. President, we have learned that to be successful in any business we must do that business well, and we are doing it well in sugar, in poultry, and in butter. Turn to your menus, and you will find that they are very apt to feature the Vermont turkey. We produce the best of their kind in all these lines.

Now, what has been the result? Every good farmer understands—and I see there are some farmers here—that if you do not take back to the soil the ingredients taken from it you will deplete that soil.

The State of Massachusetts to-day is suffering because its milk is sold to go to the cities—to Boston, to Worcester, to Providence, and to other large cities. That milk goes out of the State and nothing comes back from it, and the result is a deterioration of the soil. I fear that within a short time Vermont is likely to suffer in the same way, because we are now sending some—and I fear increasing quantities—of our milk to New York and other cities. But where the milk is taken to the creamery, the cream extracted, and the milk sent back to the farm and fed to the hogs the result is that we improve from year to year the quality of our soils. If those of you who have not been through the State of Vermont during the past 30 years would ride through our State to-day, you would hardly know it, so materially has it been improved.

We might go further and say the same as to our highways. Vermont to-day has perhaps the best highways, or among the very best, of the Union, and those highways, I want to say further, are paid for. Vermont has no bonded debt. We do not build roads and bond our State to pay for them. Every year the State pays its bills as it goes along, and the only debt we owe, I believe, is a few thousand dollars taken by the State from the school fund, and upon which the State returns 6 per cent interest each year.

This dairy interest has built up Vermont, and I have no doubt it has built up other dairying States as it has Vermont, and we feel, and I think we feel rightfully, that any public legislation that makes a direct attack upon this the greatest industry of our State is but little less than criminal. Vermont will take its medicine. Make all the oleomargarine you please, make it as good as you please, sell it where and when you please, but sell it for what it is.

I read in the Senate the other day the ingredients of oleomargarine. I want to read them again because I want you to see the kind of competition that we are up against. I do not know that this book entitled "Food Inspection and Analysis" is a standard work, but I sent to the Congressional Library and got it, believing it to be such, and in the book I find this language:

The composition of oleomargarine varies between the following limits:

Oleo oil, 20 to 25 per cent.
Neutral lard, 40 to 45 per cent.

Mr. President, consider for a moment what it means to pass the legislation provided for in the Underwood amendment. It means that you take from the hog from 40 to 45 per cent of the entire ingredients which go into oleomargarine. You take of tallow, which is by a process made into oleo oil, 20 to 25 per cent. How do you suppose the dairying industry can be successfully carried on if it must compete with an article made of these cheap ingredients and sold fraudulently as butter? Let me state for the edification of the Senate that the other ingredients are butter, 10 to 25 per cent, and milk, 5 to 30 per cent. What is butter mixed with these other ingredients for? For any honest purpose? Everyone understands that it is solely that that margarine when it is produced may look and taste like and have the flavor of butter. It is churned in milk. Why? Because by churning it in milk they get from the milk a little of the yellow color which gives to the oleomargarine a little nearer approach to butter.

There is no need of debating this question of fraud. The whole purpose of this measure is to permit a fraudulent article to be sold in competition with a legitimate industry. That is all there is to it. We talk about it as being put up in marked packages so that the purchaser may understand what he is buying. That amounts to absolutely nothing. The facts are that when the butter is placed before the guests of the hotel, the boarding house, and the restaurant it bears no marks indicating that it is not butter.

The State of New York by law provides that in all its hotels, its boarding houses, and its restaurants where oleomargarine is

offered to the consumer as butter a placard stating that fact shall be plainly posted in the dining hall where it is so offered.

The suggestion that by being placed in packages, the package being marked "Oleomargarine," fraud is thereby prevented, is all wrong. If it would serve that purpose I would not object. I do not mean to confess that oleomargarine, made as it is, largely of lard and tallow, is the equivalent of butter, but if anybody wants to use oleo, I certainly do not object. I do object to having it sold as butter and in that way reducing the price of butter by this unfair, dishonorable, and unjust competition.

I think it was the Senator from Alabama [Mr. UNDERWOOD] who said that no one was opposing this measure except the Butter Trust, and that the opposition was coming from the Butter Trust. Mr. President, the Senator from Kansas [Mr. THOMPSON] recently placed in the RECORD several telegrams he had received from different States of the Union. I remember there was one from my own State. There was not a single instance in which the butter makers of those States did not protest against the unfair competition which would result from this fraud. I remember that, in the case of my own State, the Holstein-Friesian Association of America, representing 100,000 owners and breeders of dairy cattle, entered its vigorous protest, asserting that it would work irreparable injury to the dairy interest. I fear there are good grounds for the fears expressed by this great association.

I understand that my good friend from Wyoming [Mr. WARREN] says that if he thought this measure would injure the dairy interests he would not press it. On whose judgment, I would ask the Senator in all candor, may we the more safely rely touching the effect of this legislation upon the welfare of the great dairy interest of the country? Should we rely on the views of those who are vitally interested in dairying or those whose interests are largely—perhaps exclusively—bound up in the beef industry?

Mr. WARREN. Does the Senator intend to indict me as being interested in the manufacture of oleomargarine?

Mr. PAGE. No; farthest from that. I only say you were kind enough to say if you thought this proposed legislation would injure the butter industry you would not support it. That is the language of your speech, as I read it.

Mr. WARREN. Exactly. I may be quite satisfied with my own judgment about this matter, as is the Senator with his judgment. I suppose I have been more continuously and longer engaged in butter making in some extent than almost any of the great butter makers of Vermont, both as to the number of years and the quantity, though they live to be somewhat older up there than I am; and I have seen something of the operation.

I know, as the Senator does, how unpopular it is to tackle a prejudice, especially among the rural people, of whom I have been one a great part of my life. I believe exactly as I said, that under the present law where a quarter of 1 cent per pound is taken upon white oleomargarine and where there is a fine or tax of 10 cents upon colored, it allows those wretched manipulators, who are neither farmers nor straight business men, to operate in taking the same kind of coloring that they put in butter and undertaking to imitate and sell it as butter.

I believe it would be better to mark on oleomargarine just what it is, and tax it accordingly and sell it for what it is, putting it in small packages duly marked so that it would be impossible to have it go to retailers and consumers except under its own name and brand.

Mr. PAGE. I thank the Senator for his statement.

Mr. PENROSE. If the Senator from Vermont will permit me, I should like to ask the Senator from Wyoming whether he calls a 10-pound package a small package?

Mr. WARREN. Those matters could be very easily reached by an amendment offered by the Senator from Pennsylvania, myself, or others, and it may be done.

Mr. PAGE. I should like to ask the Senator if, in all fairness, we ought not to let the butter men, the men who are vitally interested in this matter, the men who get up at 4 o'clock in the morning to milk cows, say what ought to be done rather than those whose interests are opposed to them?

Mr. WARREN. I go the Senator one better, for I spent three years in getting up at 3 o'clock in the morning and milking as many cows, I presume, as he ever did; and I have been confined to the house making butter and cheese for months at a time in the State of Massachusetts, which, I am proud to say, lies very near the rugged State of Vermont. As to dairymen, Vermont is not the only dairy State in the Union. We had the very able remarks of an honored Senator here [Mr. WADSWORTH] from the great Empire State of New York, the richest State in the Union and the greatest dairy State. He takes the ground

that it is a benefit, and would be in the long run, rather than a damage to those interests, to adopt the amendment now before us. He is a Senator, as the Senator from Vermont knows, who has had a good deal of experience in the cow business.

Mr. PAGE. I want to say to the Senator that in the State of New York there is a special law, as I have remarked, that no hotel keeper, no boarding-house keeper, can use oleomargarine—at least, it can not be placed upon the table—unless there is a placard plainly marked saying that the boarding house or hotel uses oleomargarine for butter. If we could bring in some way to the attention of the men who eat the butter at the hotel and eat it at the boarding house and eat it on the railroad cars the fact that they are eating oleomargarine, we would destroy all the energy that is being put into this measure in the aid of oleomargarine.

Mr. KENYON. I should like to ask the Senator as to the language used. Does the placard state "Oleomargarine used in place of butter"?

Mr. PAGE. I only heard the Senator from New York in a single sentence speak of that, and I got the idea rather than the language. I am sorry I can not tell the Senator.

Mr. CLAPP. Will the Senator pardon me?

Mr. PAGE. With pleasure.

Mr. CLAPP. The only place I ever saw the notice, and I think that was out West, it did not say "in place of butter." That would have been a warning; but it said "Oleomargarine used here." You were offered your choice of butter or oleomargarine. Of course you ordered butter and you were left to guess what you got. It was so with the dealer down here on the street the Senator's colleague spoke of yesterday. The place pretended to have butter and oleomargarine, and, of course, the customer always got, from the dealer's standpoint, butter; the oleomargarine sign simply served to pacify the law, and the fraud went on. The trouble is we are trying here to reverse and avoid the truthfulness of the old saying that it is useless to lock the stable after the horse is stolen; and we let this article go out in imitation of butter and neglect what should be done, which is to prohibit the making of the article in imitation of butter.

Mr. PAGE. I agree with the Senator fully. Let me illustrate. For years you have been taking the wheat at the flour mills at Minneapolis and working out everything so as to make that flour white. Is not that correct?

Mr. CLAPP. Yes, sir.

Mr. PAGE. We try to make flour white, and we try to make bread white. In Vermont, at considerable expense and trouble, we try to make our maple sugar white. White is the color that most people prefer in much of their food. But in margarine, instead of allowing its natural color, white, to dominate, the margarine manufacturers are seeking all manner of subterfuges to give it the yellow color. Is this for any honest purpose? Certainly not. It is simply to defraud the people by selling oleomargarine for butter.

Mr. President, I am interested, and I have been interested very much in times past, in hearing what the Senator from Wyoming has said in regard to his early life on the farm. I want to say to the Senator that the man who runs a dairy earns his money.

To be a good dairy farmer requires a great deal of energy, a great deal of hard work; and it is an industry that is entitled to be sustained, encouraged, and supported by Congress rather than to be made to suffer by legislation which can not be otherwise than detrimental.

I think I should refer for a moment to what the Senator from Alabama [Mr. UNDERWOOD] said in regard to the facts in this case, as he thought them to be; and that was that but for the Butter Trust there would be no energy manifested here in opposition to this bill. Mr. President, if it were not for the Swifts and the Armour's and the Cudahys, who are making money by the hundreds of millions every year, we should not find very much energy, in my judgment, put into the effort to secure the passage of this measure.

I remember that only a very few years ago the Swifts had a capitalization of but \$25,000,000. The capital stock was worth from 100 to 102. A little later, however, that capitalization was increased to \$50,000,000, while to-day it is, I believe, \$75,000,000, and the price of the stock has gone up and up, until, I think, to-day it is quoted around 150.

I have not observed the quotations of late, but it must be somewhere in that vicinity. They are piling up millions of dollars absolutely beyond the dreams of avarice, and now they come here and ask to have this measure passed, that they may further add to their untold millions.

Mr. CLAPP. Would the Senator describe the moral attitude of an honest man who is pushing a manifestly dishonest meas-

ure? It just occurred to me that it is a sort of an anomalous situation that is presented here.

Mr. PAGE. I certainly do not want to accuse my brother Senators of being actuated by any but the most honorable motives. I simply say what we all know—it does not require argument to prove it—that it is the Armour's and the Cudahys and the Swifts who make oleomargarine and who are making money by the millions by doing so. They are selling oleomargarine to-day for around 20 or 22 cents a pound. If this legislation prevails, they will, in my judgment, sell it for 25 cents a pound, and I do not know but for more. Still, this bill is being urged because it is claimed that it is going to be in the interest of the poor man.

Mr. President, I predict that within a year from the time this amendment is adopted—if it is adopted; I do not believe it will be—you will see the poor man paying from 2 to 5 and, perhaps, 10 cents higher for his oleomargarine than he is paying to-day.

Mr. CLAPP. Mr. President, when I interrupted the Senator from Vermont, it was not with reference to Senators. The Senator from Vermont, as I understood him, was talking about the Swifts and the Armour's who were manufacturing this product; and I had reference to men who put out a product which they must know in the very manufacture of it was intended to be an imitation.

Mr. PAGE. I understood what the Senator from Minnesota meant. I desire to say in regard to this whole matter that its influence is going to be very much wider than appears upon the surface here. We are to-day producing thousands upon thousands of calves in the dairy sections, and in that way are giving the country its beef; whereas if you destroy the dairy interests you at the same time very materially injure the beef industry. There is no question about this. It is not a matter that is narrowed down to the profit and loss of Armour and Swift on the one side or the dairying interests on the other; it is something that affects the whole country, and it affects it seriously and materially.

I observed in the pamphlet placed upon the desk of Senators—the pamphlet issued by the cottonseed-oil industry of the South, and by the beef industry—that some one is charged with materially overestimating the number of men engaged in dairying. The number given in the estimate of some one friendly to the dairy industry was, I think, some four and one-half millions. I do not remember the exact figures, perhaps some Senator can tell me. I think Senator UNDERWOOD placed the number at about one and one-half millions. Anyone conversant with the dairy industry of this country understands that it is impossible that it should be conducted by as few as one and one-half or even two million people. The men who own the farms may not number more than one and one-half million, but the men who work on the farms and who are connected with the industry swell that number three or fourfold. I do not know but we might properly count the mothers and daughters who in many cases contribute to the work of this industry, but the number who do this is small, as compared with 25 years ago. I can remember when nearly all the milk was converted into either butter or cheese in the homes; but to-day the instances are rare where either butter or cheese is made except in the creameries and cheese factories.

Mr. CLAPP. Mr. President, I should like to suggest to the Senator from Vermont that if the estimated number of farmers is too large and the number is really smaller than the estimate, does it not furnish an additional reason why we ought to encourage rather than discourage the farming interests and industry?

Mr. PAGE. That would certainly seem to be fair; but the advocates of this measure are trying to minimize the importance of the industry, while the Senator from Alabama has literally filled several pages of the CONGRESSIONAL RECORD with the names of labor organizations that favor his measure.

Mr. CLAPP. No; but the question of numbers favoring or opposing a measure might have some effect upon the psychology of the situation. What I was getting at, however, was that the foundation of a nation's wealth and stability depends largely upon the agricultural development of the country; and aside from any question of numbers with reference to favoring or being opposed to this measure, if we have got our number of farmers estimated too largely, it is a deplorable fact; and, instead of being a reason for discouraging farming, it ought to be a reason for encouraging it.

Mr. PAGE. I agree with the Senator; but it seems to me that in this debate we are getting away from the fundamental principles which ought to govern us, namely, that a legitimate industry is sought to be ruined by legalizing a fraud. If that is true, who can stand up and defend this amendment? If it is not true, I want to be shown wherein.

I have yet to find any candid man who will say that he believes that, if this bill passes, we shall not see, all through the country, in every boarding house, in every hotel, in every restaurant, on every railroad train, oleomargarine placed upon the table as butter.

If any industry can not live in this country except by the practice of fraud, I think it ought to die. I do not believe we should permit the great beef monopolies of Chicago to take lard, tallow, and cottonseed oil and doctor them with a mixture of butter and palm them off upon the consuming public for what they are not. That, it seems to me, is really the crucial test which should be applied in every man's mind when he comes to decide upon this bill. Is it an honest measure? Is it designed to treat fairly a legitimate industry? If it does not, if the oleomargarine industry seeks to gain its prestige and its advantage by dishonesty, by selling its product to be used for what it is not, then, Mr. President, it seems to me, by all means, that we ought to defeat any legislation tending to encourage such a scheme.

The VICE PRESIDENT. The question is on agreeing to the amendment as amended.

Mr. CURTIS. Mr. President, it is not my purpose at this time to discuss the oleomargarine amendment, but I desire to submit a few remarks on the bill itself. Later on I may say a few words on that amendment and also on one other amendment.

The revenue bill now before the Senate, being House bill 20573, proposes to tax corporations at the rate of 8 per cent of the amount of net income left after deducting \$5,000, plus 8 per cent of the actual capital invested. The net income for the purpose of this tax is to be the net income shown by the income-tax returns. I call particular attention to the words "the net income shown by the income-tax returns," for this definition of net income is one of the great iniquities of the bill, and I shall refer to it again later.

First, let us see how many corporations will be subject to this tax: (1) The law expressly exempts those corporations which are now expressly exempt from the income tax. As these exempt corporations are ones which are created for the public good or cooperative purposes and not for profit to the stockholders they may be dismissed without further consideration. (2) Income derived from the business of life, health, and accident insurance combined in one policy issued on the weekly premium plan is exempted in the House bill, but included in the bill reported to the Senate. (3) Every corporation having a net income of only \$5,000 or less will escape the tax. In 1912, the last year of the corporation tax, 305,336 corporations filed returns, and of this number 61,116 had an income of more than \$5,000. If the same proportion is maintained for the last fiscal year of the Government—July 1, 1915, to June 30, 1916—of the 350,000 corporations, approximately, that filed returns approximately 70,000 will be shown to have \$5,000 or more of net income. From this number we must deduct those corporations which do not earn more than 8 per cent on their capital, many railroads, public utilities, and other corporations, perhaps 20,000 in all. The tax will therefore fall on about 50,000 corporations, a small minority of those doing business, creating only a small part of the annual income of the country. Many of these taxable corporations will have small amounts of income exceeding the 8 per cent allowed as deduction. As the margin over 8 per cent increases, the number of corporations will decrease, so that it is probable that of the \$170,000,000 expected to be raised by this tax 30,000 corporations will pay one half and the remaining 20,000 corporations the other half.

Partnerships and corporations, which are also made subject to this tax, are exempt on income derived from personal service. No end of difficulty will be experienced in defining for practical purposes the loose expression "personal service." I think this was thoroughly demonstrated in the discussion here last night, when Senators on the other side and Senators on this side were really unable to agree as to whom this tax would apply, and it is not now settled in the mind of any Senator, in my judgment, just whom this tax will reach.

The method of fixing the amount of capital by which the 8 per cent deduction is to be measured is open to grave criticism. Actual capital invested is defined by the law to be (1) the actual cash paid in, (2) the actual cash value of assets other than cash at the time such assets were transferred, and (3) paid-in or earned surplus and undivided profits used or employed in the business, but not to include borrowed money or property.

The actual cash paid in may perhaps be ascertained without difficulty, but how is the actual value of assets for which stock has been issued to be determined? Patent rights, mines, plants, and going businesses are often taken over at a valuation which, in the judgment of the directors, justifies the issue of stock. Good will, that most intangible of assets, often forms the basis

for the issue of stock, as do also prospective earnings under efficient management. A more difficult thing to determine than the actual cash value of these assets could hardly have been required. It will cause endless controversy between the taxpayer and the tax collector.

"Paid-in or earned surplus and undivided profits used or employed in the business" presents another problem. What is a corporation to do whose assets have increased in value for 20 years, but which increase has not been taken up on the books? Even if it has been taken up and credited to surplus account, is it to be considered as "capital invested," in view of the phrase "paid-in or earned" surplus, used in the law? Apparently surplus is not to be taken into account if it arises from an increase in value of assets. It seems also that the law will not permit consideration of surplus or undivided profits, unless used in the business, to be considered in determining the 8 per cent deduction, for it employs the term "used or employed in the business." Hence the income from surplus and undivided profits invested in securities must be included in the amount of "excess profits" to be taxed, but the 8 per cent deduction must be based on capital exclusive of such surplus.

A tax fraught with more difficulties of administration and more puzzling problems to the taxpayer is hard to conceive. The burden of the tax is excessive, its incidence falls on too small a proportion of the taxpayers, and, as if to add insult to injury, its method of computation is so difficult that the taxpayer will be compelled to incur much added expense in time and expert assistance in order to determine how much or how little he must pay.

The present income-tax law is far from perfect after a period of development of over three years. Its administration is trusted to a department which is undermanned and overburdened and is unable to give the time and attention necessary to work out the details of administration. Rulings under the amended law of September 8, 1916, for the guidance of taxpayers have not yet appeared, although they should in due course have been published before the beginning of the present year. The Commissioner of Internal Revenue in his last annual report repeatedly calls attention to the fact that the department is undermanned. Because of a lack of sufficient force of clerks, the auditing of the returns is more than a year in arrears. (Report of Commissioner of Internal Revenue for the fiscal year ended June 30, 1916, p. 28.) Reference to the numerical insufficiency of the force is again made on the same page, on page 29, and page 30. It is pointed out on page 34 of this report that the population of the country as assigned to each income-tax field officer is 364,963. The commissioner says in his report:

It would be idle to assert that the revenues of the Government could be fully collected by a system based on these figures unless they could be accepted as the evidence of superhuman zeal and activity. (Id., p. 35.)

Reference is again made to the necessity of increasing the force, on page 37, where the commissioner says that—

Notwithstanding the provision that has been made for some increase in the internal-revenue force it is not sufficient to keep a large volume of work current.

In view of this insufficiency of the force to properly administer existing tax laws it seems unwise at least to add a new, complicated, and loosely drawn law to the burdens of the Bureau of Internal Revenue. The mere enactment of laws is not sufficient to collect revenue. The Government now has under the income-tax law an administrative machine, perfected to some extent, for the collection of revenue.

A few simple examples will show how the tax will work out. Thus a corporation having a capital of, say, \$100,000, earns \$20,000 of net income, according to its income-tax return. Its actual net income may be considerably less, for it is well known that the Treasury Department does not allow very generous deductions for depreciation. The proposed law permits (1) a deduction of \$5,000, leaving \$15,000; (2) a deduction of 8 per cent of \$100,000, its capital, or \$8,000, leaving \$7,000 to be taxed. Eight per cent of \$7,000 is \$560, to be paid in addition to an income tax of \$400, and a capital-stock tax of perhaps another \$100, or approximately \$1,060, in addition to its State and local taxes. Its competitor doing the same business, but as an individual, with the same capital, would pay the Federal Government \$320 as an income tax if married and \$20 more if single. In brief, to do business as a corporation is to be penalized to the extent of \$740.

Assume another corporation has the following capital: Common stock, \$100,000; preferred stock drawing 8 per cent dividend, \$100,000; bonds drawing 5 per cent interest, \$800,000. Its income account is as follows: \$100,000 annual income, of which \$8,000 pays preferred dividends, \$40,000 pays interest on its bonds, leaving \$52,000 net for common stockholders. The tax

on such a corporation will be \$3,920. As the preferred stockholders are paid the fixed preferred dividend regardless of the tax on the net profits, so long as there are sufficient profits remaining, the whole burden of the tax will fall on the common stockholders and will amount to $7\frac{1}{2}$ per cent on the entire amount available for distribution to them. In the final analysis the proposed tax will be a tax on common stockholders, and one who purchases the common stock of the company considerably above par will bear an entirely disproportionate share of the burden.

As this proposed tax will be borne entirely by investors in common stock, in the purchase price of which the earning power of the corporation has already been capitalized at the time the law goes into effect, it is an iniquitous and morally indefensible tax, even though it may legally be constitutional and within the power of Congress; but will the proposed law be constitutional in its present form? Undoubtedly not. Its operation will, in some cases, confiscate the entire income of stockholders, as will be shown below.

Let us now consider an actual case of how the tax will operate inequitably. The Supreme Court of the United States has held (*Anderson v. 42 Broadway Co.*) that where the indebtedness exceeds the capital stock it should no longer be treated as an incident, but that the carrying of the indebtedness should be considered as a principal object of the corporate activities—that the operations of such a corporation are conducted more for the benefit of the creditors than of the stockholders—and that the limited amount of interest which can be deducted before assessing the income tax is not an arbitrary discrimination against the corporation and its stockholders.

Suppose such a real estate corporation having a capital of \$1,000 purchases a property then subject to a mortgage of \$5,000,000, which it assumes. These are approximately the figures in the 42 Broadway case. Suppose its net profits to be \$275,000 before deducting the interest charge of 5 per cent on the mortgage, which would amount to \$250,000. The net income to its stockholders would actually be \$25,000. But for the purpose of the income tax the entire interest charge may not be deducted, only the interest paid on one-half of the indebtedness plus an amount equal to the capital stock is allowable; that is, \$2,500,000 plus \$1,000, or \$2,501,000. Thus the net income shown by the income-tax return is \$149,950, and this fictitious income is the sum on which the proposed tax is to be levied. Applying the formula then, the tax will be 8 per cent of \$149,950, \$5,000, \$80, or \$11,589.60—over 46 per cent of the actual income. Add to this the income tax of 2 per cent on \$149,950—\$2,999—and we have a total for the two taxes of \$14,588.60, 58 per cent of the net income actually payable to the stockholders.

To show how absurd this proposed law is, let us assume that the income in the foregoing example was \$260,000, which, after deducting the interest payment of \$250,000, would leave \$10,000 for the stockholders. The net income figured according to the income-tax law would be \$134,950. The excess profits tax would be \$10,389.60, the income tax is \$2,699, the total \$13,088.60. Since its income is only \$10,000 the tax exceeds the ability of the corporation to pay by over \$3,000. Thus the corporation is literally taxed out of existence.

It will be said that this is an extreme case and that by a fairer definition of net income in the law the wrong will be avoided. A law must be judged by its extreme effects, and even though the tax should be imposed on the actual net income and not on a fictitious income, the proposed law will be complicated and difficult to comply with, the tax will penalize progress and initiative and rest on too small a portion of the annual net income of the country.

Corporations are now required to pay an income tax of 2 per cent under a law that is objected to because of its complexity and technicality, while the principle of the tax is generally approved and a capital-stock tax of 50 cents on each \$1,000 of the fair value of the capital stock over \$99,000, under a law that is so loosely drawn that its administration involves endless difficulties and differences of opinion between the tax collectors and the taxpayers. We are threatened with a third Federal tax whose only virtue is that it will make the existing law seem simple in comparison.

Mr. President, when the bill is again taken up for consideration, and the amendment on page 3 is reached, I shall submit some remarks against the Senate amendment which places a tax upon insurance companies. That amendment proposes to strike out the following words:

Excepting income derived from the business of life, health, and accident insurance combined in one policy issued on the weekly premium payment plan.

So that if the amendment is agreed to the first paragraph of section 201 will read as follows:

That in addition to the taxes under existing laws there shall be levied, assessed, collected, and paid for each taxable year upon the net income of every corporation and partnership organized, authorized, or existing under the laws of the United States, or of any State, Territory, or District thereof, no matter how created or organized, a tax of 8 per cent of the amount by which such net income exceeds the sum of (a) \$5,000 plus (b) 8 per cent of the actual capital invested.

I hope that this Senate amendment may be disagreed to. As I say, I desire later to submit a few remarks on that subject; but as it is getting late, I shall not detain the Senate longer this evening. I also wish to say something a little later, perhaps, upon the Underwood amendment, but may not do so, as it has been so fully and ably discussed already. I am opposed to that amendment, and think it is a great injustice to the farmers of this country; and I fear its object is to enable the producers of oleo to impose upon the people of the country.

The PRESIDING OFFICER (Mr. LEA of Tennessee in the chair). The question is upon the amendment of the committee, as amended.

Mr. KENYON. Mr. President, has the question been reached on what is known as the Underwood amendment?

The PRESIDING OFFICER. Not yet.

Mr. KENYON. I desire to say just a word on that. Perhaps I may as well say it at this time.

Mr. VARDAMAN. Mr. President, may I inquire what amendment is before the Senate now?

The PRESIDING OFFICER. The amendment of the committee on page 11, section 401.

Mr. KENYON. Mr. President, I will say what I have to say about this amendment at this time and shall be very brief. I do not want to delay the bill in any way.

In the arguments that have been submitted concerning the bill itself I have heard nothing said as to the causes making necessary the passage of this bill except the question of preparedness. The bill seems to be very deftly drawn in order to create the impression in the country that whatever deficit there may be in conducting the affairs of the Government is caused by preparedness expense. We never stop to consider that if the Government is running behind in its receipts, or if extraordinary expenses are incurred, we ought to commence at the other end and cut off some of the expenditures. I do not think the American people are going to believe that the taxation that is heaped upon them is imposed entirely for purposes of preparedness.

We are going to keep on having deficits in the Government not only because of preparedness but because of the utterly inefficient way in which the Government's business is carried on.

This year the Democratic platform declared for a budget system. I have prepared an amendment, which I have had printed and submitted to the Committee on Appropriations, along the line of the Democratic platform as nearly as I could construe it, for the purpose of starting, at least, a movement in the direction of a general budget system for our country. We are about the only civilized Nation in the world that does not have a budget system; and these extraordinary expenditures and this overlapping of the work of committees will never stop until we have some kind of a scientific budget system.

This extravagance, Mr. President, is growing upon us. Here is \$535,000,000 for the Navy in the naval bill—\$5.35 for every man, woman, and child in this country—a bill that really can not under present conditions be opposed. I should think it might be cut down somewhat; but everyone in this country is for a reasonable Navy. Where this is to end no one can predict. Now, this extravagance has developed a system of omnibus appropriations. I have been amazed at this session of Congress to see that this idea has so developed that now we have an omnibus fish-hatchery bill carrying practically \$1,000,000 that has passed the House and is on the Senate calendar. We have an omnibus public-building bill, which has passed the House, providing public buildings in towns of less than 600 population and providing sites for public buildings in towns that had no population when the census of 1910 was taken. That bill, I think, is sleeping "the sleep that knows no waking" in the committee; there are also other omnibus bills. A system is growing up of omnibus appropriations that is going to keep on and on calling upon the people for greater taxation, so we have to increase the revenue continually.

I do not like to oppose a revenue bill at this time, when the country needs the revenue; and I can not get very enthusiastic in opposing a tax upon the earnings of corporations in excess of 8 per cent. The bill as it now stands is, however, full of indefensible propositions. I can not vote for it in its present form.

Mr. VARDAMAN. Mr. President—

The PRESIDING OFFICER (Mr. PHILAN in the chair). Does the Senator from Iowa yield to the Senator from Mississippi?

Mr. KENYON. I yield to the Senator, but I do not want the Senator to delay me. I want to get through.

Mr. VARDAMAN. I think I have a good deal of sympathy with the motives which actuate the honorable Senator and the purpose which he seeks to promote in the matter of taxation. It is really refreshing at this time to find a Member of Congress who will undertake to weather the storm of war hysteria which is sweeping over the country like a simoon, and dare to stand out in the open and defend the political and business rights of the plain people. Never before in the history of this Nation was greater demand for some one with the power to defend their rights and protect their interests. The question of expenses and the source whence the revenue comes are passed over by some as matters of inconsequential concern. The military spirit is in the ascendancy, and the question of preparing for war is of paramount importance. I should like to ask the Senator from Iowa if he will not in the course of his remarks—that is, if he has the data at hand—state to the Senate the difference between the amounts appropriated for the current expenses of the Government—for public buildings, rivers and harbors, and other appropriations of that character—made by this Congress and the sessions of Congress preceding this administration. It is my impression that the appropriations for those purposes have not been greater for the last four years than they were prior to that time.

The enormous appropriations that we are to make at this session are largely for so-called "preparedness," and making ready for a war that will never be fought if we are true to ourselves as a Nation and a people and just to the nations of the world. I have no sympathy whatever with the proposition to increase our Army and to enlarge our Navy to the enormous proportions which the bills before Congress contemplate. It is an unwarranted prodigality of cash; in my judgment, a shameless disregard of our obligations to our constituents. It imposes a burden which will bear heavily upon the producers of this country; it is an injustice to the world and a pandering to the brutish instincts of man. To carry out this unfortunate policy we must tax several times everything that man uses between the cradle and the grave. There has never been advanced or suggested in this Chamber an argument based upon fact to justify such a policy.

Mr. KENYON. A large part of that, of course, is true. The appropriations, the Senator well knows, have been increased for all these other matters. Some years they have gone very high. In other years certain appropriation bills have been defeated. But there is a general increase in the omnibus appropriation bills and in the system of omnibus appropriations. We have a good-roads bill that will, I fear, grow into a mighty pork barrel before we get through.

I do not like the feature of the bill which gives the power to issue \$500,000,000 in certificates by the Treasury Department. That has been raised \$200,000,000 over the House. I trust this may not be agreed to. I hope the provision as to the tax on oleo or margarine may be wiped from the bill, and I rose just to offer an explanation of my vote on that question.

We have heard a good deal about the tax being a tax on the poor man's butter. Yet, if that argument holds good now the poor man's butter, if oleo is the poor man's butter, pays a tax of only one-fourth of a cent per pound, while under this bill it will pay a tax of 2 cents per pound if not colored.

It seems to me that if people want to eat oleo that is their right; it is their privilege. If people want to eat butter and can afford to do so, it is their privilege. But the tax on colored oleo of 10 cents per pound is virtually a tax on fraud to wipe out fraud. Feeling that way about it, I feel it is my duty to oppose the Underwood amendment and support the law as it now stands. It is not a tax upon the poor man's butter as it now stands. If the oleo is uncolored, it will be as severe as if the Underwood amendment is adopted.

I do not believe, Mr. President, as a general proposition we make any mistake in standing by the American cow. The cow is a very necessary friend of everybody in the Nation. We have been regaled to-day by various stories and interchanges between the Senator from Vermont [Mr. PAGE] and the Senator from Wyoming [Mr. WARREN] as to their early experiences. The Senator from Vermont in his appeal for the American cow talks of rising at 4 in the morning and milking the cows, and the Senator from Wyoming goes him one hour better, and his hour to rise was 3 o'clock in the morning. Of course every man in public life has more or less from the stump talked that way, but I have never yet known of a politician getting up at 3 o'clock in the morning. I never claimed to get up any

earlier than 5 o'clock, but possibly after I have run for office as long as the Senator from Wyoming I may get around to 3 o'clock.

Mr. PENROSE. May I interrogate the Senator? I only wish to make an inquiry.

Mr. KENYON. I do not want to delay the bill.

Mr. PENROSE. Will not that pastoral condition which the Senator can look back to with such pleasure be largely eliminated by the machinery which milks the cows? I understand that they can be milked by electrical machinery now.

Mr. KENYON. Yes; and the Senator is probably glad that he is not operating any of those machines.

Mr. PENROSE. No; I have not tried to operate it.

Mr. KENYON. I will say to my farmer friend from Pennsylvania that the electric milker has not been a success. So the Senator from Wyoming may still have to rise in the early morning hour.

Mr. President, I do not desire to make any extended remarks. I shall vote against the Underwood proposition for the reasons which I have stated. It will help a fraud; it will help no one in this country but the packers; it will be a distinct blow against the American farmer in the hard conditions which so often confront him. Honest treatment is all we ask for the great dairy interests of this country. Let us put no premium on fraud and deception. Let us give the American cow a square deal.

I should like to have permission to insert as a part of my remarks the evidence given by ex-Governor Hoard, of Wisconsin, before the House committee some years ago when this question was there. I have marked the part which I ask that the reporter may insert.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

The consumers and producers of butter have asked Congress to enact into law House bill 3717, which provides in the first section that all counterfeit substance for butter, when taken into any State or Territory, shall be subject to the laws of the State or Territory concerning such counterfeit.

With a tax of 10 cents a pound on the counterfeit, we believe these temptations for these profits and the deceptive sale and dishonest and dangerous conspiring against the law and fraudulent competition against an honest industry will be greatly modified.

A great many people ask why it is not as permissible to color oleomargarine as it is to color butter. I would answer, Because they are not colored for the same purpose. Butter in winter is too light to suit the taste of most consumers. The highest value is in fresh butter not more than 10 days old. The consumer asks that it bear the yellow summer color of butter. That is a matter of taste, not deception, for it is not colored to resemble something it is not. But oleomargarine is colored to make it resemble butter, which it is not. It is colored not for the benefit or taste of its consumer but to deceive the consumer.

Said President Cleveland, in his message approving oleomargarine legislation of 1886:

"Not the least important incident related to this legislation is the defense afforded to the consumer against the fraudulent substitution and sale of an imitation for a genuine article of food of a very general household use. . . . I venture to say that hardly a pound ever entered a poor man's house under its real name and in its true character."

The argument still holds good.

There is no credible evidence to show that oleomargarine is innocuous; no evidence to show that when eaten continuously in place of butter it is not harmful. But there are reports in great abundance to the effect that oleomargarine is harmful.

Mr. Edmund Hill, a member of the Somerset County Council, England, reports that the great bulk of oleomargarine, or "margarine," as it is called there, is eaten in public institutions, convents, schools, etc. At the Wells Asylum, with which he is connected, the inmates receive oleomargarine. In the asylums of Dorset, Wells, and Hants—the adjoining counties—butter is furnished, and the death rate at Wells is 30 per cent higher. At the Taunton Hospital there were 11 deaths in 13 months. Oleomargarine was substituted, and in 9 months the deaths rose to 22.

This accords with the experience in France, where its use in hospitals is forbidden. In the United States, in institutions for the blind and for girls, it has been noticed that the use of oleomargarine lowered the vitality of the inmates very perceptibly.

There is abundant reason for this. The normal heat of the human stomach is 98°. Butter melts at 92°, 6° below the heat of the stomach (passes into pancreatic emulsion and digestion). Nature designed this fat in its raw state for food.

Oleomargarine melts at the varying temperature of 102° to 108°, a temperature no healthful stomach ever attains. As a consequence, this unnatural foreign fat must be expelled by sheer gastric action and force.

Mr. GRONNA. Mr. President, I shall take only a very few minutes of the time of the Senate, more to explain my vote than anything else, but I can not let this opportunity pass to discuss such an important question as I regard this to be.

I am very sorry that the great dairy industry has been attacked. If the dairy industry is a dishonest one it ought to be discontinued. If the products from the cow, butter and cheese and other things which are manufactured from milk, form an unhealthy article of food we should discontinue producing it or manufacturing it.

I have no quarrel with men who are engaged in the business of manufacturing oleomargarine. It is a legitimate business if sold for what it is. That question has been so thoroughly discussed on this floor that it is hardly necessary for me to go into it. However, there is this about it. I do not know of a single instance where the dairy farmer or the creamery has made any attempt to sell its product to take the place of the product manufactured by the oleomargarine manufacturers. There is a difference of opinion as to how many farmers there are engaged in dairying, but there are in the United States between 20,000,000 and 25,000,000 milch cows. That is a great industry. It seems to me the question is, if these people are engaged in an honest industry, if they are producing an article of food that is healthful, it is wrong for anyone to try and impose upon this industry and to substitute an article which is adulterated to take its place, because that is a fraud.

I said, Mr. President, that I find no fault with the manufacturers of oleomargarine if they confine themselves in a legitimate way to disposing of their products. But we all know from the ingredients with which oleomargarine is manufactured that it is not butter. We all know that there is not a single pound of oleomargarine sold as butter that does not contain some butter or has not at least gone through the process of churning either in milk or in cream to make it appear like butter. It is this gigantic fraud that I am opposed to. It is this adulteration which has been committed by the American manufacturers ever since they commenced their business in this country.

Those of us who were engaged in the dairy business in the years of 1880 to 1890 well know that these same manufacturers were not even willing to sell their lard for what it was. Lard at that time was worth more than cottonseed oil. We lost our trade with England, we lost our trade with the European countries, simply because the manufacturers adulterated their lard and mixed it with cottonseed oil.

I certainly have no quarrel with the people who produce or manufacture cottonseed oil. That is a legitimate industry. But you have no right to take cottonseed oil and manufacture it into something else and call it something else, whether it is butter or lard or any other article of food.

The dairy industry is, as I believe, an honest industry. It is being carried on by millions of people who live in our country and it is the only business they have. It is not so with the manufacturers of oleomargarine. The manufacturers of oleomargarine control the entire product of beef. They control the prices not only of cattle but of swine and of sheep. It is not so with the millions of dairy farmers who in a legitimate way are producing an article of food that no man and no chemist has dared to say is unwholesome as an article of food.

When you talk about the uncleanness of these creameries, it is hardly necessary to make a reply to that statement. If you are afraid that this article of food is unwholesome and unhealthy, we ask you to make an appropriation and investigate these creameries, for we are appropriating every year \$3,000,000 for the inspection of meat. The Beef Trust does not pay for its own inspection; it is paid for by the Government of the United States, by the people of the United States.

Now, if you are afraid that butter and cheese and other articles produced on the farm are unwholesome, provide for Federal inspection, and I know that the farmers of the United States will welcome it. I know that they will be only too glad to have a Federal inspector inspect every pound of the product of the farm.

But it is not true, Mr. President, that these creameries are so insanitary as has been charged. I say it is not true in my section of the country, because we have inspection laws in our State. We have in the State of North Dakota, and I know they have in the State of Minnesota, and I presume they have in the other neighboring States, most rigid and drastic State inspection laws. So it is hardly fair to make such an onslaught upon this honest industry carried on by honest men and women who are making their livelihood from this industry.

Mr. President, I can hardly conceive that any man who has the interest of this class of people at heart would be willing to make such an indictment against this great industry. We are not claiming that the articles of the beef industry or the Beef Trust are unwholesome. We are not claiming here or anywhere that the great Beef Trust which controls the price of every animal product in our country, and not only that but branches out and controls the grain industry of the country as well—the men who have made their millions by purchasing their products from these millions of farmers are not satisfied to let the farmers continue when these great concerns find that they can make a substitute by which they can impose upon the American people fraudulently. I weigh my words when I say fraudulently, be-

cause I have before me here records to show that from 1880 to 1890 the lard manufactured by these great concerns was adulterated at least to the extent of 33½ per cent. They saw an opportunity to increase their profits by substituting cottonseed oil for lard. They have been knocking at the doors of Congress for 30 years, asking to be permitted to substitute oleomargarine for butter—not oleo alone but different articles mixed, vegetable oils, anything that could be purchased that was cheap. They have been asking to be permitted to make an imitation and to sell it for butter. And who, I ask, is paying for this adulterated article?

Mr. President, whenever the farmers ask for something they ask it for themselves, and they are honest enough to say that it is going to benefit them. But when these gigantic trusts and the men who have been found guilty under the law of imposing frauds upon the American people want the Congress of the United States to pass laws beneficial to them they come here masked. They are not asking it for themselves but for the poor laboring man and in behalf of the farmer. Oh, they are very generous! They always forget themselves. They always look out for the dear people; not for their own benefit, no, but for the benefit of the poor laboring man.

Mr. President, how are you going to benefit the laboring man by imposing a tax upon an article which you say is good for food? How are you going to benefit the laboring man by making it possible to have an inferior article sold for a superior article? Is it not reasonable to believe that the price of the inferior article will be brought up or that the article will be sold perhaps at as high a price as the better article?

Mr. President, it is a sham and a fraud upon the American people, and I am sorry that the great Democratic Party has seen fit to incorporate in a bill, which is said to be an emergency measure, a tax upon what you say is a necessary article of food. There is not a chemist in the United States who has said that butter is unwholesome; there is not a chemist in the world who has said that butter is subject to tubercular bacilli. I have here before me House hearings in 1910, and if I wanted to I could take up considerable time of the Senate; I have here hundreds of pages of testimony, and nowhere will you find that any of the men who ought to be looking after the welfare of the farmers rather than the welfare of the manufacturers have dared to say that butter is unwholesome, or that butter is more subject to tubercular bacilli than is any other article of food.

Oh, Mr. President, I hope that the farmers of this country will not be compelled to come to Congress and ask that the name of this great department shall be changed. We call it the Department of Agriculture; and yet when we read the statements of these experts, these men who are supposed to advise the farmers, we very often—at least, I do—infer that they are more friendly to those interests which are not beneficial to the farmer than they are to the farmer.

I repeat, I hope the day will never come when we shall make the change, although I have received hundreds of letters from farmers in different parts of the country saying that the name of the Agricultural Department should be changed, that instead of being called the "Department of Agriculture" it ought to be called the "Department of the Packers and Millers." Personally I think these charges are unwarranted.

There are 7,000,000 farmers in the United States, and the 35,000,000 people who are now on those farms making an honest living and doing the best they can, can not quit the farm because it is their home; it is not as it is in many money-making industries where, if the industry fails, you can shut down; but that can not be done on the farm. You have no right to impose upon a class of people of this kind a law such as is proposed in this bill, for it is a sham and a fraud not only upon the farmer but upon the consumer. If anyone wants to eat oleomargarine, let him buy it and let him eat it to his heart's content; but do not mislead him and say it is butter when you know it is not. When you take the numerous reports, you will find that on an average they use in the manufacture of oleomargarine about 4 per cent of butter and about 10 per cent of milk or cream, which amounts to the same as about 4 per cent of butter, for a gallon of cream will make about 4 pounds of butter. Does that not indicate that they are committing a fraud, that they are trying to make this article of food, which they say is so wholesome, look like something which it is not?

Mr. President, I am going to take up a few minutes to show the Senate that it is not only in the United States where these people are operating. I read from the House hearings of 1910, at page 113. I have here a report from James Foust, dairy and food commissioner of France. This report shows that the Government of France prosecuted 497 cases, I think, in a single month for the violation of the oleomargarine law. In France, as I understand, they do not permit colored oleomargarine to

be sold. I have here the translation of extracts from public document No. 1377, of the French Chamber of Deputies, extraordinary session, 1903, which reads as follows:

Falsifications of food products were becoming more and more common. In 1869 margarine was invented by M. Mège-Mouries, and its similarity to butter made it possible to offer it for sale as such. In fact, at first, margarine was only used for this purpose, until the numerous complaints led to the enactment of the law of March 14, 1887, which reserves the designation "butter" exclusively to products of milk. It was prohibited to sell the imitation under any other designation than margarine. The law, however, did not fix any penalties for infractions and violations. To discover the fraud was also nearly impossible, as the law only prohibited the substitution of margarine for butter, but did not refer to mixtures or fix any maximum or minimum proportion of margarine that might be permitted.

The complaints continued and led to the enactment of the law of April 14, 1897, the purpose of which was not only the punishment of frauds but also their prevention. One of the most important features of the new law was that it prohibited the manufacture and sale of butter and margarine in the same room. The one who procures and sells butter must not have margarine in his store. The law also provided for a system of inspection of the manufacturing and sale of margarine. Inspectors are appointed by the Government and have authority to enter stores, depots, magazines, and factories and to take the samples necessary for the examination.

The law further prescribes that margarine shall be labeled distinctly and indelibly as such, and that the name of the manufacturer shall appear very distinctly.

This led to another fraud. The manufacturers printed the name of the product in small, hardly visible, letters, while the name of the firm was printed so as to entirely catch the eye.

Now, just observe, Mr. President, that in order to stop this fraudulent practice in the country of France the manufacturers of this product, which it is claimed is demanded and so much desired by the American people, were compelled to print in large letters its real name. This very article, which some Senators have said is so superior to the article produced by the farmer or by the dairy industry, is required in France to be marked—not the package but the article itself—with large indelible letters. That is the only way the Government of France could prevent this great fraud being carried on and practiced upon the people of that country. I read again:

The committee recommends to reverse this, so that the very distinct and indelible shall refer to the product, while the name of the firm may be printed in smaller letters.

They simply changed the thing about, and instead of having the name of the firm printed in large letters they enacted a law declaring that the sellers and manufacturers of oleomargarine might use small letters to print their own name, but they must print in large letters the name of the article, to show that this fraudulent substance, oleomargarine, this substitute for and adulteration of butter, was not butter.

Article 2 of the law of April 14, 1897, reads:

All food products outside of butter, no matter what their origin or composition, which are similar to butter and prepared for the same use as butter, shall only be designated as margarine.

To margarine, thus defined, must not be added coloring matter.

So in France the coloring of margarine is absolutely prohibited by law.

ART. 3. Producers of butter must not keep margarine or oleomargarine in their stores or at other places; neither shall they permit anybody else to keep such products in their stores.

This prohibition also applies to merchants, agents, and dealers in butter.

Margarine and oleomargarine must only be offered for sale at places especially designated for that purpose by the municipal authorities.

ART. 4. All manufacturers of margarine and oleomargarine must make a declaration—in Paris to the chief of police, in the provinces to the mayor of the community.

ART. 5. Buildings where margarine is prepared, kept, or sold must be provided with a sign, in letters at least 30 centimeters high, containing the following: "Factory depot, for sale of margarine and oleomargarine."

ART. 9. All boxes, cases, and packages containing margarine or oleomargarine must be labeled as stated above.

ART. 11. It is prohibited to keep or sell margarine or oleomargarine not labeled as indicated above. The absence of the label will cause that the product will be considered as butter.

Now we come to the penalties.

ART. 16. Those who willfully violate the prescriptions of this law shall be punished by imprisonment from six days to three months and a fine of from 100 to 5,000 francs, or only one of said penalties. Persons who will not name seller or shipper of the goods will be considered as principals.

Express or transportation companies on land or sea that have violated the prescriptions in articles 10 and 12 may be fined from 50 to 500 francs.

Persons preventing inspectors and experts from performing their duties, refusing them admittance to their factories, depots, and stores, and refusing to deliver samples, may be fined from 500 to 1,000 francs.

ART. 17. The use of matter which may have an injurious effect on the health in making margarine shall be punished according to article 423 of the Penal Code.

ART. 19. The courts may always order verdicts of conviction of violation of this law published in newspapers or by means of placards.

ART. 20. Matters and mixtures designated as fraudulent may be confiscated.

A decree of November 9, 1897, contains the regulations for the application of the law of April 14, 1897.

So much for the country of France. If this article of oleomargarine is superior to butter, why have foreign countries

been compelled to enact laws compelling the manufacturers of oleomargarine to say that it is oleomargarine, and not butter?

I have never yet heard, even in the case of the operator of one of the little creameries so graphically described by Senators on this floor the other day, of a single prosecution of any one of the men engaged in the creamery industry or in the making of butter from milk for any violation of the law in attempting to sell their product as oleomargarine. As my friend from Oregon [Mr. LANE] so well said the other day, if butter is bad, it is honest enough to look you in the face and admit it. There is no deception about bad butter any more than there is about good butter. If butter becomes old and rancid, it is honest enough to tell you so. It is not like this fraudulent article of oleomargarine—and when I say "fraudulent" I mean when it is colored and sold as butter—and passed off for something that it is not.

I am sometimes surprised, Mr. President, that the great Beef Trust, which has been permitted under our laws and our institutions to make these hundreds of millions undisturbed, is shortsighted enough to attack an industry like the dairy industry of the country, for it simply goes to show that it is intoxicated with its power, and its greed and lust for money overpowers it. This same trust not only controls the entire beef industry of the country, but it is also attempting to, and it does, successfully control the grain industry of the country. Yet you are bringing in here a bill, and calling it an emergency measure, attacking these six or seven million farmers and these 35,000,000 people who are making an honest living—and that is all they make—out of this industry; not only that, but you want to impose upon the labor of this country and substitute in their diet this adulterated, fraudulent article and compel them to pay the trust's price, more than it is worth.

If the laboring man wants to buy oleomargarine uncolored, let him buy it. If the Beef Trust wants to sell oleomargarine for what it is, let it sell it. We find no fault with that; but you will not with my vote sell it for butter, because, as I have shown you here this afternoon, the makers of this product use on an average 4 per cent of butter in order to practice this fraud and deception, and they use on an average about 10 per cent of milk in churning and in mixing these different ingredients, making in all about 8 per cent of butter.

Mr. President, I make the statement, and I challenge contradiction, that there is not a single pound of butterine or oleomargarine sold without some butter in it; but it is being sold to these poor men whom this great, philanthropic trust is anxious to benefit as butter. They are not asking for legislation to benefit themselves. They are asking for this legislation in order to be able to help the poor man, the laboring man, the man who can not afford to buy butter!

Why, Mr. President, butter is not the only thing upon which these great philanthropists have practiced their fraud and deception. You all remember what a contest we had on bleached flour. You all know the great fight that has been going on trying to stop it, and I think it finally has been stopped—I refer to the practice of bleaching flour. As I said the other day, anyone who is at all familiar with the real value of wheat knows that it is the amber-colored part of the kernel, the aleurone or the gluten, that is valuable for flour. That is not white, but an amber color. Every woman who has made bread, and who is familiar with conditions, knows that it is not always the white bread that is the most wholesome bread. We had our fight on this bleached-flour question, but fortunately there came to our rescue at that time some of the great corporations, because their interests were affected; and if it had not been for those corporations I suppose we would have been told that flour and bread were unwholesome unless they were pure white.

I have shown to the Senate that in the country of France the laws prohibit the coloring of oleomargarine. They prohibit selling it in any store. Now, we will take the country of Germany. It is rather a daring thing, I suppose, to speak about Germany, but I am not going to speak about the people of Germany. I am simply going to talk about butter and oleomargarine.

In Germany they passed a law on June 15, 1897, to this effect:

The prescriptions, rules, and regulations governing the butter trade and the production and sale of margarine, margarine cheese—

These philanthropists are not satisfied with butter alone, but they want to get hold of the cheese industry as well. They have tried that for years, also—

and artificial fats are nearly identical with the French ones, only the German law does not contain any prohibition against coloring margarine, etc., so as to appear like natural butter, etc. These products have to be manufactured and sold in separate stores provided with signs indicating the kind of goods manufactured and sold. The packages have to be labeled as in France, and, besides, must be marked with a very conspicuous red border.

Just think of it! In Germany they have to mark these packages with a red border, I presume something like the color of the automobile of the Senator from Pennsylvania [Mr. PENROSE], so that it can be easily detected.

When sold without wrappers the pieces shall have a cubic shape and the denomination of the goods must be imprinted in the goods itself.

That is where the fraud comes in in this bill. You do not provide in this bill that the goods themselves shall have an imprint upon them. You only provide for the label on the packages, and the packages can very easily be thrown away, as everybody knows.

PAYMENT OF CLAIMS—CONFERENCE REPORT.

Mr. BRYAN. Mr. President—

The PRESIDING OFFICER (Mr. THOMAS in the chair). Does the Senator from North Dakota yield to the Senator from Florida?

Mr. GRONNA. Yes; I yield.

Mr. BRYAN. I understand it is the agreement to take a recess at 6 o'clock until 8 to-night. Let me ask the Senator if he would object to yielding the floor now, so that I may present a conference report?

Mr. GRONNA. No; I shall be very glad to do so. I will resume what I desire to say after 8 o'clock.

Mr. BRYAN. If it is agreeable to the Senator, then I submit the conference report on Senate bill 1878, and move that the Senate proceed to its consideration.

The PRESIDING OFFICER. The conference report will be read.

The conference report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1878) making appropriation for payment of certain claims in accordance with findings of the Court of Claims, reported under the provisions of the acts approved March 3, 1883, and March 3, 1887, and commonly known as the Bowman and the Tucker Acts, and under the provisions of section 151 of the act approved March 3, 1911, commonly known as the Judicial Code, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 2 and 3.

That the Senate recede from its disagreement to the amendments of the House numbered 1, and agree to the same.

Amendment numbered 4: That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to the same with an amendment as follows: In lieu of the matter proposed by the House insert the following:

"ALABAMA.

"To the legal representatives of Isaiah Attaway, deceased, of Macon County, \$275.

"To Jane P. Paulk, of Bullock County, \$635.

"To the trustees of the Cumberland Presbyterian Church of Pleasant Springs, \$350.

"GEORGIA.

"To the trustees of the First Baptist Church of Rome, \$870.

"KENTUCKY.

"To R. W. Harris, administrator of James P. Harris, of Floyd County, \$330.

"To the vestry of Ascension Protestant Episcopal Church, of Mount Sterling, \$825.

"To the fiscal court of Oldham County, \$1,100.

"To the treasurer of the Christian Church of Stanford, \$420.

"LOUISIANA.

"To Madeleine Lement, administratrix of Pierre Lement, of St. Landry Parish, \$295.

"To Kate P. McWaters, Margaret McWaters Bell, James H. McWaters, B. P. McWaters, and Moses McWaters, jr., in equal shares, heirs of Moses McWaters, of West Feliciana Parish, \$950.

"MARYLAND.

"To the heirs of William H. Bradshaw, of Frederick County, \$137.50.

"MISSISSIPPI.

"To the trustees of the Protestant Orphan Asylum at Natchez, \$3,500.

"MISSOURI.

"To William W. Green, of Camden County, \$270.

"NORTH CAROLINA.

"To Sarah F. Trenwith, executrix of C. F. Simpson, deceased, of Craven County, \$815.

"To the deacons of the Baptist Church of Beaufort, \$250.

"OHIO.

"To the trustees of the African Methodist Episcopal Church of Gallipolis, \$250.

"SOUTH CAROLINA.

"To John Duncan, surviving partner of the firm of Duncan & Son, of Charleston, \$8,450.

"To the trustees of Beaverdam Baptist Church, of Marlboro County, \$1,600.

"To the trustees of St. Johns Baptist Church, of Bamberg County, \$275.

"TENNESSEE.

"To Lulu H. Doyle and Anna V. Berry, sole heirs of Patrick H. and Margaret E. Watkins, deceased, of Hamilton County, \$333.34.

"To the trustees of the Hobson Methodist Church, of Davidson County, \$1,800.

"To the treasurer of the corporation of the Cumberland Presbyterian Church, of Chattanooga, \$500.

"To the trustees of the Christian Church of Columbia, \$375.

"To the trustees of the Cumberland Presbyterian Church, of Murfreesboro, \$900.

"To the trustees of the McKendree Methodist Episcopal Church South, of Nashville, \$1,200.

"To the trustees of Liberty Springs Missionary Baptist Church, of Stewart County, \$475.

"VIRGINIA.

"To Lucy E. Johnson and John A. Johnson, sole heirs of Armistead M. Johnson, deceased, of Loudoun County, \$784.

"To the session of the Presbyterian Church of Greenwood, \$100.

"To the trustees of the Christian Church of Suffolk, \$540.

"WEST VIRGINIA.

"To the legal representatives of Josiah M. Davisson, deceased, of Taylor County, \$720.

"To the trustees of Christ Protestant Episcopal Church, of Bunker Hill, \$300.

"SEC. 2. That the foregoing several sums be, and they are hereby, appropriated, out of any money in the Treasury not otherwise appropriated, for the purposes of this act.

"SEC. 3. That in case of the death of any claimant, or the death or discharge of the executor or administrator of any claimant herein named, payment of such claim shall be made to the legal representatives: *Provided*, That where a claimant is dead the administrator, executor, or legal representative shall file a certified copy of his bond, which bond must be at least equal in amount to the sum hereby appropriated: *Provided further*, That in all cases where the original claimants were adjudicated bankrupts payment shall be made to the legal representatives or next of kin instead of to the assignees in bankruptcy: *And provided further*, That wherever under this act it is provided that a payment be made to an executor or an administrator, whether original or ancillary or de bonis non, and such executor or administrator is dead or no longer holds his office, payment shall be made to the successor therein, his title to hold such office being established to the satisfaction of the Secretary of the Treasury; and wherever under this act it is provided that a payment be made to a corporation or quasi corporation and such corporation or quasi corporation has been merged in or consolidated with another corporation or quasi corporation, payment shall be made to the corporation or quasi corporation with which the consolidation or merger has been made."

And the House agree to the same.

N. P. BRYAN,
JOE T. ROBINSON,
A. J. GRONNA,

Managers on the part of the Senate.

A. W. GREGG,
JAMES F. BYRNES,
B. K. FOCHT,

Managers on the part of the House.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

INDIAN APPROPRIATIONS—CONFERENCE REPORT.

Mr. ASHURST. Mr. President, will the Senator from North Dakota yield to me for a moment?

Mr. GRONNA. Certainly.

Mr. ASHURST. I ask the Chair to lay before the Senate the conference report on the Indian appropriation bill.

The PRESIDING OFFICER. The Chair lays before the Senate the conference report on the Indian appropriation bill, which has been read.

Mr. ASHURST. Mr. President, after a conference lasting 20 days, and having once been rejected by the Senate, the conferees on the Indian bill (H. R. 18453) have submitted to the Senate, and it was printed some days ago, a full, final, and complete report. It is now obvious to me, and I believe also to other Senators, that with a certain provision in the bill the Senate will not adopt the conference report. I refer to the provision proposing to raise the salaries of certain Government employees. The Senate conferees agreed to the House amendment, but by virtue of certain action which has been taken in the Senate on a yea-and-nay vote, and from conversations I have had with many persons, it is evident that the Senate will never agree to the conference report on this bill with the House amendment in it, and that the Senate is going to insist upon and prefer what is termed "the Smoot amendment."

I therefore ask that the conference report be disagreed to, so that we may go back and try again to get this matter into a situation where it will be agreed to by both Houses.

The PRESIDING OFFICER. The Senator from Arizona requests that the conference report on the Indian appropriation bill be rejected.

Mr. LA FOLLETTE. Mr. President, I should like to inquire of the Senator from Arizona in what respect the report as agreed upon as to the salaries of clerks differs from the so-called Smoot amendment?

Mr. ASHURST. The amendment as agreed upon by the conferees provides that certain persons who are receiving salaries of \$1,200 per year or less shall have a certain increase—to wit, 15 per cent—and those receiving from \$1,200 to \$1,800, both inclusive, shall receive an increase of 10 per cent, whereas it is evident that the Senate wishes to adhere to what is termed "the Smoot amendment," which provides for a smaller raise in salaries.

Mr. LA FOLLETTE. If the Senator will indulge me further—

Mr. ASHURST. Certainly.

Mr. LA FOLLETTE. Upon what action of the Senate does the Senator predicate that supposition or belief?

Mr. ASHURST. On a yea-and-nay vote on the Agricultural bill the other morning that very question was tested.

Mr. LA FOLLETTE. I for one did not regard that by any means as a test vote upon that question. There were other things involved in that report; and I for one voted to send it back because of another provision in the bill. Personally, I am heartily in favor of the increases made in this bill, as I understand them.

Mr. ASHURST. That is, the House amendment?

Mr. LA FOLLETTE. No; I mean the Indian appropriation bill.

Mr. ASHURST. We adopted the House amendment in conference.

Mr. LA FOLLETTE. Yes; the House amendment. I altogether prefer it to the Smoot amendment, and I should be very glad to have an opportunity to have that matter tried out by the Senate.

Mr. ASHURST. Of course, it would be too late this evening, and I do not want to get this bill into a situation where by reason of the impasse we will be unable to do anything with it. I will say that it is my opinion that I can not get the conference report adopted or agreed to by the Senate with that amendment in it. That is my opinion. That, of course, will kill the bill.

Mr. BRANDEGEE and Mr. SMITH of South Carolina addressed the Chair.

The PRESIDING OFFICER. To whom does the Senator yield?

Mr. ASHURST. I yield to any Senator—all Senators.

The PRESIDING OFFICER. To whom does the Senator yield first?

Mr. ASHURST. To the Senator from South Carolina.

Mr. SMITH of South Carolina. Mr. President, I thought it might be helpful if I should call the attention of the Senators present to the fact that before the vote was taken in reference to the action of the Agricultural Committee, I, having charge of that bill, made the statement that when the yea-and-nay vote was taken I would consider it as final and binding as to whether

the Senate was then instructing us by that vote in regard to the Smoot amendment. I did not take sides pro or con; and it was repeated over on this side when the vote was taken, which was, as I remember, 71 or 72 to 3 in favor of sending it back with reference to the Smoot amendment. I reiterated that once or twice, and the understanding of the conferees who have charge of the Agricultural bill was to the effect that the Senate had committed itself by that vote to the Smoot amendment. That was my understanding.

Mr. LA FOLLETTE. I did not so understand it.

Mr. ASHURST. Well, I do not wish to press the matter. It is now time to recess; but I should like to have some action taken at the very earliest moment, because the House has agreed to it.

Mr. LA FOLLETTE. I will ask the Senator if he will not call up this conference report this evening, or at the very earliest moment?

Mr. ASHURST. Why, certainly, Mr. President. I withdraw the motion at this time.

Mr. BRANDEGEE. Mr. President, I simply wanted to know what the Senator from Arizona had done with this matter.

The PRESIDING OFFICER. The request of the Senator from Arizona that the Senate disagree to the conference report is withdrawn for the present.

Mr. BRANDEGEE. Oh! He withdraws the conference report?

Mr. ASHURST. I withdraw the motion.

WEST INDIAN ISLANDS—CONFERENCE REPORT (S. DOC. NO. 719).

Mr. STONE. I present the conference report on House bill 20755, known as the West Indian Islands bill, and ask that it lie on the table and be printed.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 20755) to provide a temporary government for the West Indian Islands acquired by the United States from Denmark by the convention entered into between said countries on the 4th day of August, 1916, and ratified by the Senate of the United States on the 7th day of September, 1916, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

"That, except as hereinafter provided, all military, civil, and judicial powers necessary to govern the West Indian Islands acquired from Denmark shall be vested in a governor and in such person or persons as the President may appoint and shall be exercised in such manner as the President shall direct until Congress shall provide for the government of said islands: *Provided*, That the President may assign an officer of the Army or Navy to serve as such governor and perform the duties appertaining to said office: *And provided further*, That the governor of the said islands shall be appointed by and with the advice and consent of the Senate: *And provided further*, That the compensation of all persons appointed under this act shall be fixed by the President.

"Sec. 2. That until Congress shall otherwise provide, in so far as compatible with the changed sovereignty and not in conflict with the provisions of this act, the laws regulating elections and the electoral franchise as set forth in the code of laws published at Amalienborg the 6th day of April, 1906, and the other local laws, in force and effect in said islands on the 17th day of January, 1917, shall remain in force and effect in said islands, and the same shall be administered by the civil officials and through the local judicial tribunals established in said islands, respectively; and the orders, judgments, and decrees of said judicial tribunals shall be duly enforced. With the approval of the President, or under such rules and regulations as the President may prescribe, any of said laws may be repealed, altered, or amended by the colonial council having jurisdiction. The jurisdiction of the judicial tribunals of said islands shall extend to all judicial proceedings and controversies in said islands to which the United States or any citizen thereof may be a party. In all cases arising in the said West Indian Islands and now reviewable by the courts of Denmark, writs of error and appeals shall be to the Circuit Court of Appeals for the Third Circuit, and, except as provided in sections 239 and 240 of the Judicial Code, the judgments, orders, and decrees of such court shall be final in all such cases.

"Sec. 3. That on and after the passage of this act there shall be levied, collected, and paid upon all articles coming into the United States or its possessions, from the West Indian Islands ceded to the United States by Denmark, the rates of duty and internal-revenue taxes which are required to be levied, collected, and paid upon like articles imported from foreign countries:

Provided, That all articles, the growth or product of, or manufactured in such islands from materials the growth or product of such islands or of the United States, or of both, or which do not contain foreign materials to the value of more than 20 per cent of their total value, upon which no drawback of customs duties has been allowed therein, coming into the United States from such islands shall hereafter be admitted free of duty.

"SEC. 4. That until Congress shall otherwise provide all laws now imposing taxes in the said West Indian Islands, including the customs laws and regulations, shall, in so far as compatible with the changed sovereignty and not otherwise herein provided, continue in force and effect, except that articles the growth, product, or manufacture of the United States shall be admitted there free of duty: *Provided*, That upon exportation of sugar to any foreign country, or the shipment thereof to the United States or any of its possessions, there shall be levied, collected, and paid thereon an export duty of \$8 per ton of 2,000 pounds irrespective of polariscope test, in lieu of any export tax now required by law.

"SEC. 5. That the duties and taxes collected in pursuance of this act shall not be covered into the general fund of the Treasury of the United States, but shall be used and expended for the Government and benefit of said islands under such rules and regulations as the President may prescribe.

"SEC. 6. That for the purpose of taking over and occupying said islands and of carrying this act into effect and to meet any deficit in the revenues of the said islands resulting from the provisions of this act the sum of \$100,000 is hereby appropriated, to be paid out of any moneys in the Treasury not otherwise appropriated, and to be applied under the direction of the President of the United States.

"SEC. 7. That the sum of \$25,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, to be paid in the city of Washington to the diplomatic representative or other agent of His Majesty the King of Denmark duly authorized to receive said money, in full consideration of the cession of the Danish West Indian Islands to the United States made by the convention between the United States of America and His Majesty the King of Denmark entered into August 4, 1916, and ratified by the Senate of the United States on the 7th day of September, 1916.

"SEC. 8. That this act, with the exception of section 7, shall be in force and effect and become operative immediately upon the payment by the United States of said sum of \$25,000,000. The fact and date of such payment shall thereupon be made public by a proclamation issued by the President and published in the said Danish West Indian Islands and in the United States. Section 7 shall become immediately effective and the appropriation thereby provided for shall be immediately available."

And the Senate agree to the same.

WILLIAM J. STONE,

G. M. HITCHCOCK,

H. C. LODGE,

Managers on the part of the Senate.

H. D. FLOOD,

PAT HARRISON,

HENRY ALLEN COOPER,

Managers on the part of the House.

RECESS.

Mr. SIMMONS. I move that the Senate now take a recess until 8 o'clock this evening.

The motion was agreed to; and (at 8 o'clock p. m.) the Senate took a recess until 8 o'clock p. m.

EVENING SESSION.

The Senate reassembled at 8 o'clock p. m. on the expiration of the recess.

THE NAVAL ESTABLISHMENT (S. DOC. NO. 718).

The PRESIDING OFFICER (Mr. ASHURST in the chair). The Chair lays before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Secretary of the Navy, submitting additional and supplemental estimates of appropriations required for the Naval Establishment for the fiscal year ending June 30, 1918, amounting to \$164,784,859.01, including \$1,403,020 heretofore submitted. The communication and accompanying paper will be printed and referred to the Committee on Naval Affairs.

THE SHIPPING BOARD.

Mr. FLETCHER. I ask unanimous consent, from the Committee on Commerce, to report back the bill (S. 8168) to amend an act entitled "An act to establish a United States Shipping

Board for the purpose of encouraging, developing, and creating a naval auxiliary and naval reserve and a merchant marine to meet the requirements of the commerce of the United States with its Territories and possessions and with foreign countries; to regulate carriers by water engaged in the foreign and interstate commerce of the United States; and for other purposes," approved September 7, 1916, and for other purposes, with amendments, and I submit a report (No. 1106) thereon. I ask that the bill be placed on the calendar.

The PRESIDING OFFICER. The bill will be placed on the calendar.

MARINE-HOSPITAL LANDS IN CHICAGO.

Mr. FLETCHER. From the Committee on Commerce I report back favorably with an amendment the bill (S. 7905) to authorize the Secretary of the Treasury, in his discretion, to transfer and convey to the commissioners of Lincoln Park, of Chicago, Ill., the riparian rights of the United States, as the owner of land fronting on Lake Michigan and occupied as the site of the United States Marine Hospital in Chicago, Ill., and I submit a report (No. 1107) thereon. This bill has the approval of the department, subject to the conditions named in it.

Mr. LEWIS. In behalf of my colleague [Mr. SHERMAN] may I ask the Senate if possible that it may consent that the bill may be immediately put on its passage? Around the Marine Hospital there is some land which the park commissioners wish to take off the Government's hands and the city improve it itself, and the Government merely wishes to permit it. That is the end of the story. The park commissioners will take it and improve it as the Government wishes.

Mr. JONES. And it is to revert to the Government if the conditions are not complied with.

Mr. SHERMAN. I wish to state that the park commissioners will add 100 feet on the east of the land where the United States Marine Hospital on the lake shore fronts. It will relieve the Government of \$40,000 which is taken out of the bill by the Secretary of War to repair the breakwater. That will be done by the park commissioners and the maintenance guaranteed.

Mr. SMOOT. I should like to have the bill read so that we can just see what the conditions are, and whether the land is to revert to the Government in case it is not used for the purpose named in the bill.

The PRESIDING OFFICER. The bill will be read.

The Secretary read the bill.

The amendment of the committee was, in line 8, after the word "upon," to strike out "such terms and conditions as he may impose" and insert: "the condition that the said rights and any lands which may be added to the present water front of said Marine Hospital site shall be used for no other purpose than that authorized in the statute of the State of Illinois, entitled 'An act to enable the park commissioners having control of any park bordering upon public waters in this State to enlarge the same from time to time, and granting submerged lands for the purpose of such enlargements, and to defray the cost thereof,' approved June 15, 1895, and upon such other terms and conditions as they may impose."

Mr. FLETCHER. It should read as he may impose. The grant is made by the Secretary of the Treasury. The amendment is in accordance with the letter of the Secretary of the Treasury.

Mr. SMOOT. I wish to ask if there is any provision in the bill providing that if the land is not used for the purpose mentioned in the bill it shall revert to the Government of the United States?

Mr. FLETCHER. Precisely that condition is contained in the bill.

Mr. SMOOT. That is what I want to know and that is why I wanted to have the bill read.

Mr. FLETCHER. I think the Senator will find the amendment meets the condition he has in mind.

Mr. SMOOT. If that condition is in the amendment, I have no objection to the bill; but unless that provision is in the bill, I shall object to the consideration of it. I ask that the amendment be read.

The SECRETARY. After the word "upon," insert:

the condition that the said rights to any lands which may be added to the present water front of said Marine Hospital site shall be used for no other purpose than that authorized in the statute of the State of Illinois, etc.

Mr. SMOOT. That does not state that in case the lands are not used for the purpose mentioned in the bill they shall revert to the Government. It says they shall be used for no other purpose than that authorized in the statutes of the State of Illinois. It is good as far as it goes, but in nearly all the grants of land reported by the Public Lands Committee of either House there is a provision that whenever the lands are not used for the pur-

pose named in the act they shall revert to the Government of the United States. I think that ought to be included in the amendment.

Mr. SHERMAN. I understood that was in the bill. It was in the letter of the Secretary of the Treasury, and if not in the bill I would be very glad to have added that in the event the conditions are not fulfilled it shall revert to the Government.

Mr. FLETCHER. The amendment is precisely in the language given by the Secretary of the Treasury.

Mr. SMOOT. If the suggested amendment to the amendment is accepted, I have no objection to the passage of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Utah to the amendment of the committee.

Mr. BRANDEGEE. I think the amendment suggested by the Senator from Utah should in form and in the exact words be read before the bill is finally passed. I think the Secretary ought at least to take down in writing the words and read them.

The PRESIDING OFFICER. The amendment to the amendment will be read by the Secretary.

The Secretary read as follows:

Provided, That in the event the said lands are not used for the purposes specified in this act the same shall revert to the Government of the United States.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BATTLE FIELD OF GUILFORD COURTHOUSE—CONFERENCE REPORT.

Mr. CHAMBERLAIN. I submit a conference report on the bill (H. R. 8229) to establish a national military park at the battle field of Guilford Courthouse, and I call the attention of the Senator from North Carolina [Mr. OVERMAN] to the report.

The PRESIDING OFFICER. The conference report will be read.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8229) to establish a national military park at the battle field of Guilford Courthouse, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2 and 4.

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 4. That the affairs of the Guilford Courthouse National Military Park shall, subject to the supervision and direction of the Secretary of War, be in charge of three commissioners, one of whom shall be an actual resident of Guilford County, State of North Carolina, one an actual resident of the State of Maryland, and one an actual resident of the State of Delaware. They shall be appointed by the Secretary of War, the actual resident of Guilford County, State of North Carolina, so appointed to serve, unless sooner relieved, for a term of four years. The resident commissioner shall act as chairman and as secretary of the commission. One of the other commissioners so appointed shall serve for a term of three years and the other for a term of two years unless sooner relieved. Upon the expiration of the terms of said commissioners the Secretary of War shall, in the manner hereinbefore prescribed, appoint their successors to serve, unless sooner relieved, for a term of four years each from the date of their respective appointments. The office of said commissioners shall be in the city of Greensboro, N. C. The resident commissioner shall receive as compensation \$1,000 per annum, the nonresident commissioners \$100 per annum each, and they shall not be entitled to any other pay or allowances of any kind whatsoever.

"SEC. 5. That it shall be the duty of the commission named in the preceding section, under the direction of the Secretary of War, to open or repair such roads as may be necessary to the purposes of the park, and to ascertain and mark with his-

torical tablets or otherwise, as the Secretary of War may determine, all lines of battle of the troops engaged in the Battle of Guilford Courthouse and other historical points of interest pertaining to the battle within the park or its vicinity; and the said commission in establishing this military park shall also have authority, under the direction of the Secretary of War, to employ such labor and services and to obtain such supplies and material as may be necessary to the establishment of said park, under such regulations as he may consider best for the interest of the Government, and the Secretary of War shall make and enforce all needed regulations for the care of the park."

And the Senate agree to the same.

GEORGE E. CHAMBERLAIN,

G. M. HITCHCOCK,

H. A. DU PONT,

Managers on the part of the Senate.

S. H. DENT, Jr.,

S. J. NICHOLLS,

JULIUS KAHN,

Managers on the part of the House.

Mr. OVERMAN. I ask for the adoption of the conference report.

The report was agreed to.

THE REVENUE.

Mr. SIMMONS. I ask that the unfinished business be now proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 20573) to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes.

Mr. GRONNA. Mr. President, when the Senate took a recess I was trying to inform the Senate, quoting from the House hearings of 1910, of certain laws in the various countries of Europe. I find that in England the law of 1887 contains provisions practically identical with those of France and Germany. Fines are imposed for a violation of the law of £20 for the first offense, £50 for the second, £100 for the third, and later penalties are imposed. Holland has practically the same law. Belgium likewise has practically the same law relative to oleomargarine.

In Russia margarine may only be manufactured at places especially designated for that purpose. The establishment where margarine is prepared is subject to inspection. Colored margarine so as to make it appear like butter is absolutely prohibited. Packages containing margarine must be distinctly labeled and state the name of the manufacturing firm. The factories and stores must be provided with signs indicating the kinds of goods manufactured.

I realize that there are times when it hurts to know the truth, but, nevertheless, I am going to trespass upon your patience for a few minutes more and give you some information about oleomargarine.

I said that in Russia the coloring of margarine was absolutely prohibited, and that the factories and stores where this article is sold must be provided with signs indicating the kinds of goods manufactured and sold. Importations of margarine from foreign countries are also prohibited, and violations are punished by imprisonment of one month or a fine of 100 rubles. It seems that even in far-distant Russia, of which we hear so much, and sometimes not the most favorable comments, they have learned to know the real value of oleomargarine, and it has not been sold as butter.

They do not permit the coloring of oleomargarine in Russia; and yet we are about to attempt to legalize such an act here in the United States of America. In Austria they have practically the same law. The same is true of Denmark. When I speak of Denmark it must be remembered that it is a little country, comprising about 15,000 square miles, and yet feeding about two and a quarter of a million people; and I know of no country where the people are compelled to live on a dairy diet any more than they are in the country of Denmark. I should like to have the men who are so well prepared on statistics show me the tubercular bacilli affecting the physical condition of the Dane. I believe that the health conditions of the country of Denmark not only compare favorably with those of the United States, but that they are really much better. You can not show me a single country where the people live on dairy products in which they are not healthy.

In the countries where this deception and fraud is prohibited by law their chemists are perhaps as skillful as are our chemists. I made the statement before the recess this evening that not a single chemist in the United States has made the state-

ment that butter is unwholesome, nor has the statement been made that it is a dangerous food product. On the contrary, we know that it is being recommended as a most wholesome article of food.

Why, Mr. President, cottonseed oil has its place—I have no quarrel with the cottonseed-oil people—to be used for what God Almighty intended it for. It is useful as an article in mixing paint. It takes the place of linseed oil. We farmers in the West are using hundreds of thousands of gallons of cottonseed oil as a substitute for linseed oil, because it is a most excellent ingredient with which to mix paint; but it is not an article of food. Without some lubricant, some substance to go with it, as my colleague [Mr. McCUMBER] said the other day, it would be a mighty hard article to consume or even to swallow.

Mr. President, as the distinguished Senator from Vermont [Mr. DILLINGHAM] said yesterday, there are 32 States in the Union which have passed laws regulating the sale or coloring of oleomargarine. I have a list of the different States which have passed legislation on the subject and their laws regarding it, but I shall not trespass upon the time of the Senate to read them. I, however, desire to ask permission to have them printed in the Record in connection with my remarks.

The PRESIDING OFFICER. Without objection, that order will be made.

The matter referred to is as follows:

The following compilation of the substance of the dairy laws of the United States was published by the Agricultural Department under the seal of Secretary Wilson a year ago, and copies of the laws in full may be had from the Secretary of Agriculture:

ALABAMA—ANTICOLOR LAW.

[Approved Feb. 18, 1895.]

No article which is in imitation of pure yellow butter, and is not made wholly from pure milk and cream, shall be manufactured, sold, or used in any public eating place, hospital, or penal institution, etc.; but oleomargarine, free from color or other ingredient to cause it to look like butter, and made in such manner as will advise the consumer of its real character, is permitted. It must be stamped with its name.

ARIZONA.

No dairy laws.

ARKANSAS—MUST BE LABELED.

[Approved Apr. 2, 1885.]

Substitutes for butter, whether in wholesale or retail packages, shall be plainly labeled "Adulterated butter," "Oleomargarine," or such other names as shall properly describe them. In hotels, etc., dishes containing said articles must be plainly marked in same manner.

CALIFORNIA—ANTICOLOR LAW.

[Approved Mar. 4, 1897.]

Imitation butter and cheese defined as any article not produced from pure milk or cream, salt, rennet, and harmless coloring matter, which is in semblance of butter or cheese and designed as a substitute for such. Shall not be colored to imitate butter or cheese, and must be in such form as will advise consumer of its real character. Every package must be plainly marked "Substitute for butter" or "Substitute for cheese" and accompanied by a statement giving name of manufacturer, ingredients, etc., a copy of which must be given to each purchaser, with verbal notice, at the time of sale, in connection with which words like "creamery," "dairy," etc., are prohibited. Patrons of eating places shall be notified if substitutes of butter or cheese are used. Prohibited in State charitable institutions.

COLORADO—ANTICOLOR LAW.

[Approved Apr. 1, 1895.]

All articles not produced from pure milk or cream, in imitation of pure cheese or yellow butter, are prohibited; but oleomargarine and filled cheese are permitted if free from color or other ingredients to cause them to look like butter or cheese; they must be made in such form and sold in such manner as will advise the consumer of their real character. Cheese containing any foreign fats, oleaginous substances, rancid butter, etc., shall be branded "Imitation cheese."

CONNECTICUT—ANTICOLOR LAW.

[Public Acts, 1895.]

Imitation butter, defined as any article resembling butter in appearance and not made wholly, salt and coloring matter excepted, from cow's milk, is prohibited; but oleomargarine or imitation butter, free from color or other ingredient to cause it to look like butter, and made in such form and sold in such manner as will advise consumer of its real character, is permitted. Words like "butter," "dairy," etc., shall not form a part of its name or appear on its package. Imitation butter shall be sold only in labeled packages, or registered places which display signs, and purchasers shall be informed orally of the character of the article at the time of sale. Use of imitation butter in public eating places, bakeries, etc., must be made known by signs.

DELAWARE—ANTICOLOR LAW.

[Passed May 8, 1895.]

The manufacture or sale of any article not produced from unadulterated milk or cream, which is in imitation of pure yellow butter or designed to take the place of pure cheese, is prohibited; but oleomargarine is permitted if in a distinct form, free from butter color and sold in such manner as to show its real character; it shall be plainly marked "Oleomargarine."

DISTRICT OF COLUMBIA—BRANDING LAW.

[Approved Mar. 2, 1895.]

Substances in semblance of butter or cheese, not made exclusively of milk or cream, but with the addition of melted butter or any oil, shall be plainly branded on each package "Oleomargarine," and a label, similarly printed, must accompany each retail sale.

FLORIDA—MUST NOTIFY GUESTS.

[Approved Feb. 17, 1881.]

The sale of any spurious preparation, purporting to be butter, is prohibited. Guests at hotels, etc., must be notified if oleomargarine or other spurious butter is used.

GEORGIA—ANTICOLOR LAW.

[Approved Dec. 16, 1895.]

Imitation butter and cheese are defined as any article not produced from pure milk or cream—salt, rennet, and coloring matter excepted—in semblance of butter or cheese and designed to be used as a substitute for either. Shall not be colored to resemble butter or cheese. Every package must be plainly marked "Substitute for butter" or "Substitute for cheese," and each sale shall be accompanied by verbal notice and by a printed statement that the article is an imitation, the statement giving, also, the name of the producer. The use of these imitations in eating places, bakeries, etc., must be made known by signs.

IDAHO—BRANDING REQUIRED.

[Approved Jan. 27, 1885.]

Brand required for sale of oleomargarine or butterine, imitation butter, or mixture imitating butter. These shall not be sold as butter.

ILLINOIS—ANTICOLOR LAW.

[Approved June 14, 1897.]

Imitation butter is defined as any article not produced from pure milk or cream—salt, rennet, and coloring matter excepted—in semblance of butter and designed to be used as a substitute for it. Shall not be colored to resemble butter. All packages must be plainly branded "Oleomargarine," "Butterine," "Substitute for butter," or "Imitation butter." Each sale shall be accompanied by notice to the purchaser that the substitute is imitation butter.

INDIANA—LABEL LAW.

Butter other than that made from pure milk when sold or used in hotels, etc., must be plainly labeled "Oleomargarine."

IOWA—ANTICOLOR LAW.

[Passed in 1893.]

Imitation butter or cheese is defined as an article not produced from pure milk or cream—salt, rennet, and coloring matter excepted—in semblance of butter or cheese and designed to be sold as a substitute for either of them. Shall not be colored to resemble butter or cheese. Every package shall be plainly marked "Substitute for butter" or "Substitute for cheese," and each sale shall be accompanied by a verbal notice and a printed statement that the article is an imitation, the statement giving also the address of the maker. The use of these imitations in hotels, bakeries, etc., must be made known by signs.

KANSAS.

No law.

KENTUCKY—ANTICOLOR LAW.

[Act of 1898.]

Oleomargarine, butterine, or kindred compound, made in such form and sold in such manner as will advise the customer of its real character, and free from color or other ingredient to cause it to look like butter, is permitted.

LOUISIANA—LABEL LAW.

[Approved July 6, 1888.]

Such substances as oleomargarine, butterine, bogus butter, etc., shall be plainly labeled to indicate their composition. They shall not be sold as butter.

MAINE—ANTICOLOR LAW.

[Approved Mar. 27, 1895.]

Any article in imitation of yellow butter or cheese and not made exclusively of milk or cream is prohibited.

MARYLAND—ANTICOLOR LAW.

[Passed in 1888.]

The manufacture, sale, or use in public places of any article in imitation of and designed to take the place of pure butter or cheese and not made wholly from milk or cream is prohibited. Mixtures of any animal fats or animal or vegetable oils with milk, cream, or butter shall be uncolored and marked with names and percentages of adulterants, and this information shall be given to purchasers.

MASSACHUSETTS—ANTICOLOR LAW.

[Approved June 11, 1891.]

An article made wholly or partly out of any fat or oil, etc., not from pure cream, and which is in imitation of yellow butter, is prohibited, but oleomargarine, free from color or other ingredient to cause it to look like butter and made in such form and sold in such manner as will advise the consumer of its real character, is permitted. It shall not be sold as butter, nor shall words like "dairy," "creamery," etc., or the name of any breed of dairy cattle be used in connection with it. All packages exposed for sale must be plainly marked "Oleomargarine," and labels similarly marked must accompany retail sales. Stores where it is sold and wagons used for delivery must display signs, and hotels, etc., using it must notify guests. Persons selling oleomargarine must be registered and conveyors licensed.

MICHIGAN—ANTICOLOR LAW.

[Approved Apr. 15, 1897.]

Any article not made wholly from milk or cream and containing melted butter, fats, or oils not produced from milk and which is in imitation of pure butter is prohibited, but oleomargarine free from color or any ingredient to cause it to look like butter and made in such form and sold in such manner as will advise the consumer of its real character is permitted; its sale as butter is prohibited; signs must be displayed where it is sold or used, and its original packages must be plainly marked "Oleomargarine" if the article contains suet or tallow, or "Butterine" if it contains lard; retail sales shall be made from a package so marked, and a label similarly printed and bearing the name of the manufacturer shall be delivered with each sale; shall not be used in any public institution. (N. B.—The above law was invalidated in 1897 by the supreme court because of the fact that the enacting clause was omitted when it passed the senate.)

MINNESOTA—ANTICOLOR LAW.

[Approved 1899.]

This law prohibits the sale of oleomargarine made in imitation of butter, and took the place of the pink law of 1891.

MISSISSIPPI LABEL LAW.

[Approved Mar. 9, 1882.]

Packages of oleomargarine or similarly manufactured butters shall be plainly labeled with the correct name of their contents, and the product shall be sold by that name. A privilege tax of \$5 is imposed upon the persons selling the articles named.

MISSOURI—ANTICOLOR LAW.

[Approved Apr. 19, 1895.]

Imitation butter is defined as every article not produced wholly from pure milk or cream, made in semblance of and designed to be used as a substitute for pure butter; it shall not be sold as butter; shall not be colored to resemble butter unless it is to be sold outside the State; original packages shall be plainly stamped "Substitute for butter"; in hotels, etc., vessels in which it is served must be marked "Oleomargarine" or "Impure butter."

MONTANA—TAKED 10 CENTS A POUND.

[Penal Code of 1895.]

Any article in semblance of butter or cheese and not made wholly from milk or cream must be plainly labeled "Oleomargarine" or "Imitation cheese," and a printed label bearing the same word or words must be delivered to the purchaser with retail sales. Places where these articles are sold or used must display signs, and information as to their character be given if requested. Dealers must pay a license of 10 cents a pound on each pound sold.

NEVADA—BRANDING LAW.

[Approved Feb. 14, 1881.]

Any article in semblance of butter, but not made exclusively of milk or cream or containing melted butter, shall be in packages marked "Oleomargarine."

NEBRASKA—ANTICOLOR LAW.

[Approved Mar. 16, 1895.]

Imitation butter and cheese are defined as any article made in semblance of and designed to be used as a substitute for pure butter or cheese and not produced wholly from pure milk or cream, salt, rennet, and harmless coloring matter. These articles, including any having melted butter added to them, shall not be colored to resemble butter or cheese; shall be plainly marked "Imitation butter" or "Imitation cheese"; verbal and printed information of the character of the articles and address of the maker shall be given at time of sale; signs shall be displayed in public eating places where used.

NEW HAMPSHIRE—ANTICOLOR LAW.

[Approved Mar. 29, 1895.]

Any article not made wholly from unadulterated milk or cream which is in imitation of pure yellow butter or cheese is prohibited, unless in packages plainly marked "Adulterated butter," "Oleomargarine," or "Imitation cheese." A label printed with the words on the original package shall be delivered with each retail sale. Oleomargarine, free from color or ingredient to cause it to look like butter, and made in such form and sold in such manner as will advise the consumer of its real character, is permitted. Notice of the use of substitutes for butter in hotels, etc., shall be given to patrons.

NEW JERSEY—ANTICOLOR LAW.

[Approved Mar. 22, 1886.]

Any article made wholly or partly out of any fat, oil, etc., not from milk or cream, artificially colored in imitation of pure yellow butter, is prohibited; but oleomargarine and imitation cheese are permitted, if free from artificial color and in the original package encircled by a wide black band bearing the name of the maker and having the name of the contents plainly branded on them with a hot iron. Retail sales shall be accompanied by a printed card on which the name of the substance and the address of the maker are plainly printed, and the customer shall be orally informed of the character of the article at the time of the sale.

No law.

NEW MEXICO.

NEW YORK—ANTICOLOR LAW.

[Approved Apr. 10, 1893.]

The terms oleomargarine, butterine, imitation butter, or imitation cheese mean any article in the semblance of butter or cheese not the usual product of the dairy and not made exclusively from unadulterated milk, or having any oil, lard, melted butter, etc., as a component part. Imitation butter: The manufacture of oleomargarine or any article in imitation of butter wholly or partly from fats or oils not produced from milk, or the sale or the use in hotels, etc., of such articles, is prohibited. No article intended as an imitation of butter and containing oils, fats, etc., not from milk, or melted butter in any condition, shall be colored yellow.

NORTH CAROLINA—LABOR LAW.

[Ratified Feb. 28, 1895.]

Oleomargarine and butterine are defined as articles manufactured in imitation of butter, and which are composed of no ingredient or ingredients in combination with butter. Original packages shall be labeled with chemical ingredients and their proportions.

NORTH DAKOTA—ANTICOLOR LAW.

[Laws of 1899.]

Law prohibits manufacture and sale of oleomargarine colored in semblance of butter.

OHIO—ANTICOLOR LAW.

[Approved May 16, 1894.]

Oleomargarine is defined as any substance not pure butter of not less than 80 per cent butter fat and made for use as butter. It is permitted if free from coloring matter or other ingredient to cause it to look like butter and made in such form and sold in such manner as will advise the consumer of its real character.

OKLAHOMA.

No laws.

OREGON—ANTICOLOR LAW.

[Filed Feb. 21, 1899.]

Forbids the manufacture and sale of oleomargarine colored in semblance of butter.

PENNSYLVANIA—ANTICOLOR LAW.

[Passed in 1899.]

Prohibits manufacture and sale of oleomargarine made in semblance of butter.

RHODE ISLAND—BRANDING LAW.

[Laws of 1882.]

Any article not made wholly from milk or cream, but containing any melted butter or animal oil or fat not the product of milk, shall be plainly marked "Oleomargarine," and a label similarly printed shall be delivered with all retail sales.

SOUTH CAROLINA—ANTICOLOR LAW.

[Approved Mar. 9, 1896.]

Imitation butter and cheese are defined as every article not produced from pure milk or cream, with or without salt, rennet, and harmless coloring matter, which is in semblance of, and designed to be used as a substitute for butter or cheese; they shall not be colored to resemble butter or cheese; original packages shall be marked "Substitute for butter," or "Substitute for cheese"; shall not be sold as genuine butter or cheese, nor used in hotels, etc., unless signs are displayed.

SOUTH DAKOTA—ANTICOLOR LAW.

[Laws of 1897.]

Any article not made wholly from pure milk or cream, and in imitation of pure butter, is prohibited; but oleomargarine, colored pink and made in such form and sold in such manner as will advise the consumer of its real character, is permitted; notice of its use in public eating places must be given.

TENNESSEE—ANTICOLOR LAW.

[Act of 1895.]

Any article which is in imitation of yellow butter and not made exclusively from pure milk or cream is prohibited; but oleomargarine, free from color or other ingredient to cause it to look like butter, and made in such form and sold in such manner as will advise the consumer of its true character, and other imitations if uncolored and labeled with their correct names are permitted; wholesale packages shall be plainly labeled, and a label shall accompany retail sales.

TEXAS.

No law.

UTAH—ANTICOLOR LAW.

[Approved Mar. 8, 1894.]

Any article in semblance of butter or cheese and not made wholly from milk or cream shall be plainly marked "Oleomargarine butter," or "Imitation cheese," and retail sales shall be made from packages so marked. Such articles shall not be colored to resemble butter or cheese.

VERMONT—PINK LAW.

[Laws of 1884.]

The manufacture of any article in imitation of butter or cheese which contains any animal fat, or animal or vegetable oils or acids not produced from pure milk or cream, is prohibited.

Imitation butter.—Imitation butter for use in public eating places, or for sale, shall be colored pink.

VIRGINIA—ANTICOLOR LAW.

[Approved Jan. 29, 1898.]

The manufacture or sale of any article made wholly or partly from any fat or oil not produced from unadulterated milk or cream, which is in imitation of pure yellow butter, is prohibited; but oleomargarine, butterine, or kindred compound, made in such form and sold in such manner as will advise the consumer of its real character and free from color or other ingredient to cause it to look like butter, is permitted. Signs, with the words "Imitation butter used here," shall be displayed in eating places, bakeries, etc., where the articles above named are used.

WASHINGTON—ANTICOLOR LAW.

[Approved Mar. 11, 1895.]

No article which is in imitation of pure yellow butter and is not made wholly from pure milk or cream, with or without harmless coloring matter, shall be manufactured, sold, or used in any public-eating house or eleemosynary or penal institution, etc.; but oleomargarine, free from color or other ingredient to make it look like butter, and made in such form and sold in such manner as will advise the consumer of its real character, is permitted.

WEST VIRGINIA—PINK LAW.

[Approved Feb. 16, 1891.]

Any substance in semblance of butter or cheese and not made wholly from pure milk or cream, and packages containing such substances, shall be plainly marked; printed statements explaining the character of the substance must be given to consumers.

Oleomargarine: Oleomargarine and artificial and adulterated butter shall be colored pink.

Mr. GRONNA. Now, Mr. President, what is oleomargarine? I read from the House hearings in 1910, on page 171, a statement made by Mr. Henry C. Pirrung, president of the Capital State Dairy Co., of Columbus, Ohio, a gentleman who admits that for many years he has been engaged in the manufacture of oleomargarine. I want to read a brief statement made by him:

Mr. PIRRUNG. Mr. Chairman and gentlemen of the committee, in order to perhaps more forcibly illustrate the factory conditions existing in the manufacture of oleomargarine to-day, it will be necessary to state the reason why the present conditions are in force and in existence. It might seem to this committee and to those interested that perhaps my explanation of the factory and its conditions and the manufacture of oleomargarine may be exaggerated, but I assure you, gentlemen, that no exaggeration will be attempted and no departure from the truth.

We have known for many years, Mr. President, that certain Senators are not interested in the welfare of the farmer. It is

nothing new; it is the same old story. The farmer is a splendid citizen just before election, but subsequent to election he is often forgotten.

Mr. HAWLEY. Are you a manufacturer of oleomargarine?

Mr. PIRUNG. I am, and have been for 22 years—a practical manufacturer. Years ago—we will say in 1884, 1885, and 1886—when the first law was attempted and enacted the cry by the opponents of oleomargarine was the debasement of materials, the inferior materials we used, the slovenly methods of manufacture; in fact, everything, even fraud was charged at that time. Prominent amongst the illustrative papers was the Police Gazette, which at that time had large pictures showing the dead animals that were used in the manufacture of oleomargarine. It was also stated and illustrated that skimmings of sewer drops in New York were used in the manufacture of oleomargarine, that the basic materials came from the garbage can, and every other vile and putrid matter that could be used. Now, of course, in that sense we must also state that the opponents of oleomargarine stated that this product manufactured from all these materials, which they only charged and never proved were used, was made in imitation of butter and to take the place of butter, and therefore they wanted it distinguished from butter.

Mr. PIRUNG goes on to describe what "neutral" is, and I have some extracts marked here, which I ask unanimous consent to incorporate in my remarks without reading.

The PRESIDING OFFICER. Without objection, that order will be made.

The matter referred to is as follows:

The CHAIRMAN. Will you tell us what neutral is? You used the term "neutral." Will you tell us what it is, so that we may understand what you refer to?

Mr. PIRUNG. Yes; neutral is the oil product of the leaf of the pig. The leaf of the pig is first chilled and then it is hashed or cut into cubes of about an inch or 2 inches. The purpose of chilling, as you will understand, is so that it may be cut into cubes. It is then melted in its cubed condition and brought to a temperature of about 180 to 190 degrees. During the melting process the agitator stirs this neutral continuously in order to bring about the proper melting of the oil from the tissue and fiber. Then it is allowed to stand for a few minutes, and a shower bath of salt is hastily sprinkled over this in order to carry the tissue and fiber and extraneous matter to the bottom, whereon the pure oil of the pig remains on the top. It is then siphoned from the kettle and put into tierces and shipped out for the manufacture of oleomargarine, and thereby the name of "neutral" is attached to it, distinguishing it from the other products of the hog commonly known as lard.

[From statement of Mr. Thomas Sharpless, president of the Pennsylvania Butter Protective Association.]

In my position, in connection with the Butter Protective Association of Pennsylvania, I have found that 85 per cent of all the samples bought—and they were bought as butter—upon analysis were proved to be oleomargarine colored in imitation of butter.

Mr. GRONNA. Later on I find in these same hearings the statement of a certain gentleman who thinks we ought to abolish the cow; that we ought to do away with the dairy interests entirely. Those of us who are engaged in dairying have not been so uncharitable as that toward the men who are manufacturing oleomargarine. We are anxious to have the products which go into the making of oleomargarine manufactured, and, if no fraud or deception is practiced, we find no fault with the industry; but I, for one, do find fault with the practice of perpetrating fraud and deception upon the consumer. Not only are you proposing to tax a product which you say is a food product and a necessity in order to sustain life, but you tell me you are going to make it cheaper and easier for the poor man to obtain it by levying a tax upon it. I think you are also going to make it possible for the seller of this product to get an unfair price for it. It is absolutely certain that an unfair price will be asked if we are to permit this deception and fraud to go on. Instead of benefiting the laboring man, the provision in this bill will result to his detriment. The laboring man ought to be in a position to buy as good butter as you and I. If the conditions in our country are such that the laboring man can not afford to buy butter there is something wrong with our policies; there is something wrong with our country; there is something wrong with the fundamental principles of our Government. Let us change those principles and make it possible for these men to get the wholesome food that you and I get.

Mr. President, it is not my purpose to enter into a discussion of this important subject to delay a vote upon the amendment offered by the distinguished Senator from Alabama. This question is not a new one; it has been before Congress for more than a quarter of a century. The plan proposed by the Senator from Alabama is not a new one. If his amendment should be adopted it would be reenacting the old law; and under that old law the maximum amount collected as revenue was two million four hundred and some odd thousand dollars. I think the majority have failed in their estimate as to the revenue to be derived from this article under the amendment, just as they failed when they wrote their tariff law, which we were told was going to cheapen the food of the American people, lower the cost of living to the American people, and still bring sufficient revenue to pay the running expenses of the Government. Well, you succeeded admirably in failing in both. Food products have advanced—due to the war; of course it was not due to the Democratic

tariff law—and the revenues have decreased, so that the Treasury to-day is bankrupt. So it is said that this is an emergency measure, and that it is necessary to take an inferior article, which is claimed to be good enough for the laboring man of this country, and tax him 2 cents a pound, and then foster a gigantic trust in opposition to the millions of farmers who are engaged in the legitimate dairy industry.

Mr. President, I am sorry that I have to say these things to my friends on the other side—and I have many dear friends on the other side of the Chamber—but, like the parent who chastises the son, it is because I want to set you right that I am calling your attention to these matters. It is not because I dislike you; but you have failed in every attempt you have made to legislate for the American people; in every effort you have made to legislate for the laboring man you have made a dismal failure.

Suppose that we should enact a law permitting cotton two grades below medium to be mixed with medium, would you consider that desirable legislation for the South? Yet the mixture would be all cotton, although it would not be medium cotton. I do not care whether it is in the South or in the North, the great agricultural industry is entitled to protection. We have helped you when you asked us for help and established standards for the great product of the South. Nine grades have been established, four below and four above medium; and if the proposition were here before us now to repeal that law or to change that standard, I should be one of the first to vote against it, because I know it would be doing an injustice to the cotton producer of the South.

Mr. President, what is margarin, anyway? Well, I looked it up in the dictionary, and I find that the word "margarin" is defined as—

A fatty substance extracted from animal fats mixed with certain vegetable oils, formerly supposed to be a definite compound of glycerin and margaric acid, but now known to be simply a mixture of tristearin and tripalmitin.

Now, I find no fault at all with that description; but, as the Senator from Oregon [Mr. LANE] said the other day—and I would as soon take his judgment as that of any chemist in this country—stearin is not a food product. I know it is a valuable product. I know that when I was running a thrashing machine, when I was a boy, I used stearin to put on the belts in order to keep them from slipping, and I presume it acts the same way in a person's stomach. It will stay there for a good, long while. It will keep the appetite from slipping, as the Senator from Michigan [Mr. SMITH] says. Why, of course, any of these great corporations would gladly recommend this food product in the lumber camps and in other camps, because it is a product that will stay by you. We sometimes used soap to prevent the belt from slipping on the pulley, but stearin is the real thing; and I am calling attention to this because the Senator from Oregon, in describing this great product, said it was good to grease your boots with, but that it was not good to be used in making the old-fashioned tallow candles.

Mr. President, I know that those of you who favor this amendment are sincere in your belief. I do not question the motives of any Senator or of any other man. Undoubtedly you believe that this legislation will be beneficial to the American people; otherwise, I can not conceive that you would ask us to pass it. But I can not understand how you can justify your position in placing a tax of 2 cents a pound upon a food product which you say is a necessity, and compel these laboring men, for whom we always legislate, for whom we always pass beneficial legislation, as has been said, to pay that tax. You know that you are not benefiting the laboring man by taxing this product 2 cents a pound. You must also know that you make it possible for an unwarranted price to be charged by the men who control this product—and a few people in the United States control it. No man will deny that. Less than half a dozen men in this country control the product. It is an absolutely trust-controlled product. You make it possible, I say, for that trust to profit unduly, to get an unwarranted price for this article which you say is good enough for the laboring man. I do not think it is good enough for the laboring man. I want you to make conditions such that it is possible for the great dairy interests of this country to produce butter at a reasonable price so that every man, woman, and child in this country can afford to buy butter and to eat butter.

Mr. SMITH of Michigan. The laboring man can get it now.

Mr. GRONNA. As the Senator from Michigan says, the laboring man can get it now, as oleomargarine, at an additional cost of one-fourth of 1 cent per pound, and the consumer knows what he is buying if he buys it as uncolored oleomargarine. There is no deception and no fraud practiced upon the laboring man or upon the consumer if he buys the real article.

Mr. SMITH of Michigan. Many men buy it. I know of Senators in this body who buy it for their own tables because it is pure.

Mr. GRONNA. I am perfectly willing to take this one-fourth of 1 cent per pound off. I am perfectly willing that oleomargarine shall be sold to the public absolutely without any tax at all.

Mr. CLAPP. That is, uncolored.

Mr. GRONNA. Uncolored, certainly; but I do not care what the tax is, it is still a deception and a fraud upon the consumer of this country when it is colored. I, for one, would be willing to enact a law absolutely prohibiting the coloring of oleomargarine, the same as they have done in France years ago, and in other European countries.

Now, I have made some pretty serious charges against some of these people who attack the dairy industry. I said before the recess that a third of the lard sold by the American manufacturers was adulterated during the years 1880 to 1890, and I am going to substantiate what I said a moment ago. I read from the Encyclopaedia Britannica, volume 1, page 232:

Lard: Between the years 1880 and 1890 a gigantic fraudulent trade in adulterated lard was carried on from the United States. A great proportion of the American lard imported into England was found to consist of a mixture of more or less real lard with cottonseed oil and beef stearine. Cottonseed oil is one of the cheapest vegetable oils fit for human consumption, beef stearine the hard residue obtained in the manufacture of oleomargarine after the more fluid fat has been pressed from the beef fat. These mixtures were made so skillfully by large Chicago manufacturers that for some years they escaped detection. A bill introduced in 1888 into the American Senate to stop this imposture directed general attention to the subject, and energetic measures, taken both in America and in England, quickly put an end to it. From the memorial presented in the United States Senate in support of the bill it appeared that in about 1887 the annual production of lard in the States was estimated at 600,000,000 pounds, of which more than 35 per cent—

I said 33½ per cent—

was adulterated. Compounds were made containing only a small quantity of lard or none at all, yet were sold as "choice refined lard" or under other eulogistic names. Many lard substitutes, chiefly made from cottonseed oil, are still met with, but are most sold in a legitimate manner.

They even extracted oil from maize or corn and mixed it with lard.

Now, Mr. President, I have taken up a great deal more time than I intended, but I could not let some of these statements go unchallenged with reference to this great industry of dairying, an industry so vital not only to the 35,000,000 people who are engaged in it, but to the 100,000,000 consumers in the United States.

Mr. President, if conditions are such that the food article known as butter is an unwholesome product, then let us treat this industry as fairly as we treated the Beef Trust. Let us provide for a Federal inspection. Let every creamery in the United States be inspected at the cost of the Government of the United States or the people of the United States. We welcome an inspection system. Many of us have stood on this floor asking you to help us secure Federal inspection for our grain, and we certainly do not object to a system of inspection for every creamery that is manufacturing butter within our borders.

Mr. President, the revenue you will derive from this tax will not be enough to help your great deficit. It will add to the burden on the toiling millions in this country, who are always the ones to bear the heavy burden when food products increase in price, because wages do not always increase with the increased cost of living.

Mr. CLAPP. Mr. President, will the Senator pardon an interruption?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Minnesota?

Mr. GRONNA. Certainly.

Mr. CLAPP. I will ask the Senator if it does not strike him that the vice of the situation is not alone in the fact that it will add a burden to taxation of which the Government will get the proceeds—which is bad enough—but in addition to that, through continuing to allow oleomargarine to be colored, by which producers through the final distributors can add largely to the price, because it is an imitation of butter, it will add a large burden to the people which the Government does not get? That is the vice of this thing.

Mr. GRONNA. I thank the Senator from Minnesota. He has stated it much more clearly than I could. He is absolutely right in his statement that the tax is only a bagatelle; but by allowing this deception and this fraud to go on, it is made possible for a large addition to be made to the normal price of this product, for which the farmers receive how much? Seven to eight cents a pound, on foot, is all the Beef Trust pays for cattle. That is a good average price. Yet you are going to say by this law: "We will make it possible for the manufac-

turer of this spurious article, this adulterated article, this inferior article, to charge as much as butter brings." That is the great evil, as the Senator from Minnesota has said.

I would not ordinarily have uttered a single word of criticism about these great industries, because I realize, as you realize, that these men who have amassed their hundreds of millions of dollars in this great enterprise have brought to this country a great business. I am not criticizing them so long as they keep within their own confines, so long as they do not attempt to deceive the American public.

Mr. President, I shall vote against the amendment offered by the Senator from Alabama, and I hope a majority of the Senate will do likewise. I said a few moments ago that you can not show me a single country where the people live on dairy products where the people are not healthy. You talk about the insanitary conditions of the stable on the farm. Why, Mr. President, I could show you barns and stables by the hundreds and by the thousands that are less odorous than the slaughter-houses of the stockyards. The farmers of this country are making every possible effort to handle this product in as sanitary and as cleanly a way as it is possible for human beings to do. There may be exceptions, but it is not the rule, I think, that you will find the stables of the farmers in a condition such as was described by the Senator from Alabama the other day.

Mr. President, I feel like apologizing for having taken so much time of the Senate. The people of my State are not as heavily interested in dairying as the farmers are in other States. We are a new country, and we are engaged in the production of cereals, wheat, oats, barley, and seed, such as flax and grass seeds; but, Mr. President, whether North Dakota had a single creamery or not, I know the condition of the dairy farms, at least some of them. I know it is a most important industry and a most legitimate industry.

Mr. President, as I said a moment ago, I shall vote against the amendment offered by my good friend the Senator from Alabama [Mr. UNDERWOOD]. I know he is just as sincere in his belief as I am in mine. I know him very well, having served with him in the other body the same as I am serving with him here. He needs no defense; his own record is sufficient. I say to you that the Senator from Alabama and those of you who are going to force this amendment upon the American people are mistaken. It will not bring you the revenue; it will not cheapen the cost of butter nor of oleomargarine. It will increase the price of oleomargarine because, in the first place, you add a 2-cents-a-pound tax, and as the Senator from Minnesota [Mr. CLAPP] so well said, you make it possible to practice fraud and deception upon the American consumer and upon the American laboring man, so that he will have to pay this unduly high price.

Mr. REED. Mr. President, I think I can in five minutes' time express my views on the oleomargarine amendment. Thirty-one years ago this Government enacted a law for the purpose of regulating the sale of oleomargarine and fixed a tax of 2 cents per pound. That law was surrounded with as many restrictions of a protective character as are to be found in the present Underwood amendment. Nevertheless the law proved unsatisfactory. It was found that oleomargarine was being palmed off for genuine butter and that every kind of fraud was being worked.

Fifteen years ago the present law was enacted fixing a tax of one quarter of 1 cent per pound upon oleomargarine that is not colored and 10 cents a pound on the colored article. The purpose of the law was to prevent the fraudulent sale of oleomargarine as butter, to protect the consumer and also to protect the producer of butter.

It can not be claimed that the proposed change in the law is intended solely as a revenue measure. That is not believed by anybody. If a revenue were desired, the tax would be fixed without regard to the question of color. We would not find the privilege of counterfeiting and imitating butter carefully carried into the revenue proposition. The fact about the matter is, and every man knows it, that this is a plain, bald attempt to permit the packing houses of the country to sell as butter that which is not butter, to counterfeit butter and to fraudulently put it forth upon the public. That is all there is to it, and you may talk about it until you are black in the face and "until the cows come home," and that it all there ever will be to it.

We have been passing pure-food laws in this country in order that men may know what they eat, and we have all said that was a good kind of legislation. Let a man eat what he pleases, but let him know what he is eating, and let not some scoundrel counterfeit some article and have people put it into their stomachs, not knowing what they are eating. We have passed a great deal of that kind of legislation. On the heels of it comes

the packing house and says, "Allow us at least to counterfeit butter." And now it is proposed that that privilege shall be granted to the packing houses, and, behold, it is done in the name of the poor and the humble. The breakfast table of the laboring man is lugged in here as Exhibit A in the argument of the advocates of the amendment.

I do not care how poor a man may be, he is entitled at least to the poor privilege of knowing that he is eating oleomargarine if that is all he can buy. He is entitled at least to protection against the fraud monger. He is entitled to be shielded against the counterfeiter. He is entitled to know when he sits down at his table and has to eat bull butter to know it is bull butter and not have it sold to him as real dairy butter. This act ought to be entitled "An act to encourage fraud and to render easy the counterfeiting of food products."

Now, mark you, it can not be said that it benefits the poor, because the poor man certainly when he can buy uncolored oleomargarine taxed only one-fourth of a cent a pound will get the oleomargarine cheaper than he will when he must pay a tax of 2 cents a pound and in return enjoy the blessed privilege of having some coloring matter put in it, poisonous or otherwise. The truth is that the man who wants to make oleomargarine intends to sell it not as oleomargarine but as butter.

Oh, but you say it is to be put in a package, and the package is to be branded. Yes; but when the butter is served in the hotels and the restaurants ninety-nine times out of one hundred, and in all the grocery stores where the poor man buys, the package is left off, and the oleomargarine is sold as butter.

Now, that is all there is in this case if you talk about it all night. This is a bold, plain proposal to make it easy for a packing house to sell "bull butter" for cow butter; and I use that term properly, because that is what it is known as in the trade.

I do not know what they make the stuff out of. I read a description the Senator from Pennsylvania [Mr. PENROSE] put into the Record, and which I assume of course was a correct description. Whatever they make it out of, it is not that product which the human family have regarded as a staple since the days when Abraham gathered his flocks about him. I do not care if all the chemists this side of heaven, living or dead, were to certify to me that a combination of tallow, lard, cottonseed oil, and other products is better than the natural product of that fluid that all members of the human family began life on, that they have used through all the ages—if anybody tells me these chemical compounds are as good as that thing the Lord produced in the chemistry of nature, I do not believe it. At least I insist that the consumer shall know what he is having, and that nobody has any right by law to sanction the counterfeiting of a food product any more than he has to sanction the counterfeiting of the coin of the country.

Mr. STERLING. Mr. President, I desire to say a few words concerning this oleomargarine amendment which the Senator from Missouri [Mr. REED] and the Senator from North Dakota [Mr. GRONNA] have been discussing. The advocates of this amendment in seeking to maintain it have felt called upon to make some reflections upon the butter industry either as it exists at creameries or on the individual farm. They have charged that butter was produced under conditions even unsanitary, with the result that the product was unwholesome or unhealthy.

Mr. President, I am satisfied that all danger of an unhealthy food product in butter is, under modern conditions and under the care now exercised in making it, reduced to a minimum and that there is scarcely an article of food of any kind or description more free from deleterious substance or ingredient or unwholesomeness of any kind than the butter that is produced on the farm or at the creamery and sold in the market.

I want briefly to call attention to a few of the Federal statutory provisions in regard to inspection that go to insure a pure-butter product. I refer to two or three in the agricultural appropriation bill of the present year, which in these respects, Mr. President, is the same, I understand, as the agricultural bill of a year ago and is now a part of the Federal law.

For inspection and quarantine work, which includes this, "The inspection work relative to the existence of contagious diseases, and the tuberculin and mallein testing of animals," an appropriation for all the items mentioned in the paragraph of \$628,280.

It will be remembered, Mr. President, that it was charged that tuberculosis is a disease frequent in milch cows, and that there is danger of the disease being communicated to the consumer of the butter from such cows. I call attention to another provision. We have an experiment station over here at Bethesda, Md. A part of the work of the experiment station is the "investigations of tuberculin, serums, antitoxins, and analo-

gous products," and so forth, for which an appropriation of \$134,600 is made. I call attention to another provision of this same bill, and it is a part of our present law. "For all necessary expenses for investigations and experiments in dairy industry, cooperative investigations of the dairy industry in the various States, inspection of renovated butter, factories, and markets," an appropriation for these distinctive purposes, all relating to the dairy industry, of \$378,950.

So, Mr. President, from the Federal standpoint it would seem that pretty careful investigation of the dairy industry and the prevention of diseases among cattle and milk cows is provided for.

But, Mr. President, we are not limited in these inspections to insure the purity and wholesomeness of butter to what is done or is required to be done under Federal law.

I think nearly all the States of the Union, especially the States of the East, North, and West, have their dairy-inspection laws. I do not know that South Dakota is any exception to the general rule, for I am assuming, and I think it will be found correct, that nearly all these States have statutes something like that which I now read from the Revised Statutes of my State:

SEC. 2873. No person shall keep cows in a crowded or unhealthy condition for the production of milk for market or for sale or exchange, or to be manufactured into articles of butter or cheese, or feed cows on food that produces impure, unhealthy, diseased, or unwholesome milk, nor sell milk to any person or persons, nor deliver milk from diseased cows to any creamery or cheese factory. No person shall manufacture from impure, unhealthy, diseased, or unwholesome milk, or cream from the same, any article of butter or cheese. Whoever violates the provisions of this section shall be deemed guilty of a misdemeanor, and shall be punished as hereinafter provided.

Then, there are further provisions in these statutes which relate to the inspection of creameries, and the law requires that he or they who would operate or run a creamery or cheese factory in the State must procure a license and render their business subject to the inspection of the food and dairy commissioner of the State. That inspector makes two inspections and two reports to the governor of the State each year in regard to these various subjects. Penalties are provided for any violation of the law.

Mr. BRADY. Mr. President—

Mr. STERLING. I yield to the Senator from Idaho.

Mr. BRADY. When was the law which the Senator from South Dakota has just read enacted?

Mr. STERLING. It was enacted in 1903, and is a part of the Revised Statutes of that year. I read from section 2873 of the Political Code.

Mr. BRADY. And ever since that time the Senator's State has been protecting the dairy interests of the State?

Mr. STERLING. Certainly. There are other very rigorous provisions of the law, I will say to the Senator from Idaho, which I shall not take the time to read. So, Mr. President, we have there this Federal inspection, in the first place; then we have the careful inspection provided for under State law.

Now, what do we have in addition to this official inspection by Federal and by State authorities? We, of course, have the care taken by the farmer himself on his own individual initiative and according to the dictates also of his good common sense. Therefore, under all these wholesome aids and influences, I can not help but think that the danger from an impure butter product is reduced, as I said a while ago, to the very minimum.

I have looked through this Agricultural bill, Mr. President, thinking that I might find something in it relating to the inspection of oleomargarine, but not a line have I been able to find in regard to the inspection of that product, nor do I know of a law on the Federal statute books that requires the inspection of oleomargarine and an investigation into the purity of the various ingredients that enter into that compound.

Mr. President, in these days, when our several States are passing new laws affecting the morals and the safety of the people, we are asking the General Government, as we did in the liquor advertising mailing bill, as we did in the "bone-dry" provision put into the Post Office appropriation bill the other day, to assist the States in carrying out their laws relating to the sale of intoxicating liquors. On the same principle, instead of the Federal Government denying the investigation and the inspection of this food product, oleomargarine, the Federal Government ought to give us ample inspection of it.

Let us glance for a moment, Mr. President, at the economic question involved in this proposed amendment. Whom does it affect, and how many? It vitally affects an industry in which more than 4,500,000 people are engaged, on which they depend, and not alone an industry on which they depend, but upon which the whole country depends. How has this industry been built up in the United States? By hard work, by the exercise of the greatest care and economy. It has been an industry peculiar

in itself in the encouragement it has given to the practice of thrift and economy on the part of that great body of producers, farmers and dairymen, engaged in the business.

Mr. President, that industry has been the salvation of certain parts of our great country. Take the States represented by the Senators from Vermont and New Hampshire—Vermont especially, that great dairy State. Under ordinary agricultural operations, such as the raising of grain, those States found that after a while they could not compete with the agriculture of the broader and the richer plains of the West and the Middle West. So, as a last resort, and for their own protection, they entered upon this great industry, which has made their people thrifty and prosperous and has made their States, otherwise comparatively poor, agriculturally speaking, rich and prosperous States.

In turn, Mr. President, this industry has been a boon to the States of the West. I remember how in the years between 1890 and 1900, those fateful years when in my own State we were visited with drought and with crop failure, the farmers were enabled to "stay by" and live by reason of the cooperative creameries established, as they were throughout a great part of our State, especially that part of it east of the Missouri River. Since that time creameries have been established in those sections west of the river. It is an industry peculiarly adapted to the semiarid regions, where you can not, year in and year out, depend upon the raising of crops.

Take the country over—the East and the West; the North and the South—and it has been the one great industry which has enabled the farmer to diversify the operations of the farm and to build upon that principle which alone can make agriculture successful and prosperous, namely, diversity in the industry and products of the farm.

Mr. President, will this amendment reduce the cost of living? Much has been said already upon that question. The Senator from North Dakota [Mr. McCUMBER] in his able argument, the Senator from Missouri [Mr. REED], and others have all considered it. Will it reduce the cost of living? Well, let us see. If I remember correctly, about 145,000,000 pounds of uncolored oleomargarine were produced last year or during the fiscal year ending June 30, 1916. There was a tax of one-fourth of 1 cent a pound on those 145,000,000 pounds. Increase the tax to 2 cents a pound, and let the tax be added to the price, and the consumers of uncolored oleomargarine throughout the United States will pay, because of the tax alone, an addition of about \$2,500,000 for the oleomargarine they consume.

But that is not all. It is fair, I think, to assume, Mr. President, that in addition to the tax the consumer will pay under this amendment for the colored oleomargarine at least 10 cents a pound more than he is now paying for the uncolored product. I think that is a conservative estimate. Ten cents a pound on 145,000,000 pounds makes \$14,500,000. Add that to the \$2,500,000 paid on account of the tax and we have \$17,000,000 added to the cost of that quantity of oleomargarine. That is the tax, the additional burden, you would impose upon the people who consume the food product, and only \$2,500,000, as suggested by the Senator from Minnesota [Mr. CLAPP], goes to the Government. So we have \$17,000,000 of tax to the consumers of oleomargarine in the additional price they will pay upon the product, with only two and a half million dollars going to the Government of the United States.

Mr. President, all I have to say, in conclusion, is simply this: That it would be most unjust to put this great and vital industry—the dairy and butter-making industry—in competition with a cheap product, made of cheap ingredients, and which, because of the facilities of the great companies and combinations manufacturing it, is produced at the very minimum of cost.

Is there any interest advocating this so-called Underwood amendment? Yes. The Cottonseed Crushers' Association are advocating it. Think, Mr. President, of the interests aside from this great monopoly that are to be affected, and affected to their detriment, by this proposed law and by the tax which it will impose and the liberties which it will allow in the way of coloring oleomargarine, thus enabling the producers thereof to perpetrate this great fraud upon the public. Yes; there is one other interest.

The great Beef Trust, the National Live Stock Association, is the other interest advocating this amendment, that interest which can take the by-products from the slaughterhouse and pen and manufacture them into oleomargarine with such extraordinary facility as to produce the article, as I said a moment ago, at the lowest possible cost.

Is there any other interest? There is no other interest, Mr. President, unless it be the authorities that have in hand the collection of the tax, the Secretary of the Treasury and the

Commissioner of Internal Revenue; and, if I remember correctly the reading of certain communications from those distinguished gentlemen, they base their argument for this provision on the ground of their individual convenience more than anything else, or the convenience of the Internal-Revenue Bureau of the Treasury Department. I do not believe, Mr. President, that the interests of 4,500,000 people engaged directly in the dairy industry, I do not believe that the interests of the people of the whole country, I do not believe the interests of those who want a cheap but pure food product should be rendered subordinate to the mere convenience of the Treasury Department in collecting this tax.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee as amended.

Mr. BRANDEGEE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Connecticut suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

| | | | |
|------------|------------------|----------------|--------------|
| Ashurst | Hollis | Martin, Va. | Simmons |
| Beckham | Hughes | Martine, N. J. | Smith, Ga. |
| Brady | Husting | Myers | Smith, S. C. |
| Brandegee | Johnson, S. Dak. | Norris | Smoot |
| Bryan | Jones | Overman | Sterling |
| Chilton | Kenyon | Page | Stone |
| Clapp | Kern | Penrose | Thomas |
| Colt | La Follette | Pittman | Thompson |
| Cummins | Lane | Polindexter | Vardaman |
| Curtis | Lea, Tenn. | Pomerene | Wadsworth |
| Dillingham | Lee, Md. | Reed | Walsh |
| Fall | Lewis | Robinson | Warren |
| Fletcher | Lodge | Shafroth | |
| Gronna | McCumber | Sheppard | |
| Hitchcock | McLean | Sherman | |

Mr. CURTIS. I have been requested to announce the absence of the junior Senator from Indiana [Mr. WATSON] on account of illness. I will let this announcement stand for the rest of the evening.

Mr. CHILTON. I wish to announce that the junior Senator from Virginia [Mr. SWANSON] is absent on account of illness, and that the senior Senator from Maryland [Mr. SMITH] is detained by illness in his family.

Mr. LEWIS. I beg to announce that the junior Senator from Delaware [Mr. SAULSBURY] is detained by illness.

Mr. SMOOT. I desire to announce the unavoidable absence of the senior Senator from New Hampshire [Mr. GALLINGER].

The PRESIDING OFFICER. Fifty-seven Senators having answered to their names, a quorum is present. The question is on agreeing to the amendment of the committee as amended.

Mr. WARREN. Mr. President, I ask unanimous consent at this time to have printed in the RECORD certain telegrams that have come to me in the form of petitions. I ask that the first 2 may go into the RECORD in full, and that as to the 11 that follow, as they are all alike, the names of the signers of the telegrams may be noted in the RECORD.

The PRESIDING OFFICER. The Senator from Wyoming asks unanimous consent that certain telegrams be incorporated in the RECORD, and that two thereof be printed in full. Is there objection? The Chair hears none.

The telegrams are as follows:

CHEYENNE, WYO., February 23, 1917.

Hon. F. E. WARREN,
Connecticut Apartments, Washington, D. C.:

We will appreciate your good offices in securing the passage of a joint resolution giving from six months to a year before the Reed bill will take effect. Local merchants should have an opportunity to dispose of their stock of goods, and, in the spirit of fairness, we believe the proposition should be met half way.

FIRST NATIONAL BANK.

CHEYENNE, WYO., February 23, 1917.

Senator FRANCIS E. WARREN,
Washington, D. C.:

Please aid in securing passage of a joint resolution allowing six months' or a year's time before the Reed law takes effect.

CITIZENS NATIONAL BANK.

Telegrams from the following firms and citizens in Cheyenne, Wyo.: The Wyoming Commercial Co., R. Myers, R. R. Dodge & Co., The Albany Liquor Co., Charles Becker, The Trailmaker Co., The Capital Cafe Co., The P. Schoenhofen Brewing Co., Idelman Bros. Co., Davis Mercantile Co., and The Tivoli Mercantile Co.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. WARREN. I ask unanimous consent at this time to offer an amendment to the Army appropriation bill (H. R. 20783) and ask that it be printed and referred to the Committee on Military Affairs.

The PRESIDING OFFICER. The amendment will be received and referred to the Committee on Military Affairs.

Mr. LODGE. I desire to offer an amendment to the pending revenue bill (H. R. 20573), which I ask may be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received and printed.

Mr. SHEPPARD submitted an amendment relieving the Navasota Transfer Co. from further performance of its contracts with the Government, etc., intended to be proposed by him to the Army appropriation bill (H. R. 20783), which was referred to the Committee on Military Affairs and ordered to be printed.

Mr. FLETCHER submitted an amendment providing for the payment of the transportation and traveling expenses of certain rifle teams to the national matches at the State Camp, Florida, etc., intended to be proposed by him to the Army appropriation bill (H. R. 20783), which was referred to the Committee on Military Affairs and ordered to be printed.

AGRICULTURAL APPROPRIATION—CONFERENCE REPORT (S. DOC. NO. 720).

Mr. SMITH of South Carolina. I present a conference report on the Agricultural appropriation bill, which I ask may be printed, as we will not be ready to take action upon it this evening.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 19339) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1918, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 10, 14, 21, 24, 26, 29, 30, 44, 45, 48, 67, 68, 69, 70, 71, 75, 76, 77, 79, 82, and 84.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 7, 9, 12, 16, 17, 18, 20, 22, 25, 34, 35, 38, 39, 40, 41, 42, 43, 46, 47, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 72, 78, 80, 81, 83, 87, 89, 92, 94, 95, 96, 98, 99, 100, 101, 102, 103, 104, and 105, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: After the word "establishment" in said amendment insert a comma and the word "equipment," and strike out "\$20,000" and insert in lieu thereof "\$6,500"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: On page 9, line 5, strike out "\$1,468,740" and insert in lieu thereof "\$1,455,240"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: On page 9, line 6, strike out "\$1,796,640" and insert in lieu thereof "\$1,783,140"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of "\$269,200" insert "\$277,580"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: After the word "equipment" in the Senate amendment strike out the words "and maintenance"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of "\$2,604,956" insert "\$2,613,336"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of "\$3,445,326" insert "\$3,555,326"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of "\$90,010" insert "\$82,510"; and in lieu of "\$15,000" insert "\$7,500"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of "\$112,200" insert "\$107,200"; and in lieu of "\$14,000" insert "\$9,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of "\$2,460,530" insert "\$2,480,530"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of "\$3,123,630" insert "\$3,143,630"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: Before the figures "\$1,200" in the Senate amendment insert the words "not exceeding"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: Transpose the comma and the figures "\$66,100," following the Senate amendment, to a position preceding said amendment; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows: In lieu of "\$1,814,567" insert "\$1,817,567"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of "\$3,261,475" insert "\$3,264,475"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of "\$5,709,275" insert "\$5,712,275"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows: In lieu of "\$2,992,580" insert "\$2,972,580"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment as follows: In lieu of "\$3,127,660" insert "\$3,107,660"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment as follows: In lieu of "\$813,395" insert "\$843,395"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment as follows: In lieu of "\$1,688,575" insert "\$1,718,575"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment as follows: Strike out the language "same to be additional to the existing 80 acres now used as a plant-introduction field station," and transfer the paragraph as thus amended to page 24, between lines 18 and 19, of the bill; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows: In lieu of "\$139,500" insert "\$104,500"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows: In lieu of "\$160,000" insert "\$125,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 93, and agree to the same with an amendment as follows: In lieu of "\$24,581,213" insert "\$24,679,113"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 97, and agree to the same with an amendment as follows: In lieu of "\$25,831,213" insert "\$25,929,113" and strike out the new language added by the Senate amendment; and the Senate agree to the same.

E. D. SMITH,
HOKE SMITH,

Managers on the part of the Senate.

A. F. LEVER,
GORDON LEE,
G. N. HAUGEN,

Managers on the part of the House.

(Mr. HAUGEN agrees to this report, with the exception of the Smoot amendment.)

THE REVENUE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 20573) to provide increased revenue to defray the expenses of the increased appropriations for the

Army and Navy and the extensions of fortifications, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee as amended.

Mr. SIMMONS. Mr. President, I simply rise to suggest that the amendment we were considering has been lost track of altogether. It is section 401.

The PRESIDING OFFICER. As amended?

Mr. SIMMONS. As amended. It relates to the issuance of bonds to pay the Spanish War bonds which fall due the 1st day of August, 1918. I suggest that we go back to that and have a vote on it, and then if Senators desire to continue the discussion of the oleomargarine amendment when it is not before the Senate, of course, they are at liberty to do so.

Mr. SMOOT. Mr. President, I suggest to the Senator that we pass over the amendments preceding the oleomargarine amendment, and take up that amendment now and have the discussion finished, and then vote upon it. Then we can return to these other amendments, which I do not think will take very much time. The amendment immediately preceding the oleomargarine amendment will take some little time, but I believe that the Senators who desire to discuss it, or at least some of them, are not here to-night, being unable to be here on account of illness. It seems to me that the best way to proceed would be to pass over the amendments preceding the amendment relating to oleomargarine, take that up now, discuss it, and get through with it.

Mr. SIMMONS. Mr. President, I would more than gladly comply with the suggestion of the Senator from Utah but for the fact that the Senator from Alabama [Mr. UNDERWOOD], the author of this amendment, is not in the Chamber. I have tried to reach him and notify him that this amendment probably would be reached to-night, but have failed to do so. If I were to pass over other amendments and take up his amendment out of its order, in his absence, I am afraid he would have just cause of complaint.

Mr. SMOOT. There are a number of speeches yet to be made upon that particular subject. Why not get those speeches upon that question back of us now? Then, of course, if it becomes necessary to lay it aside before adjournment, that can be done.

Mr. SIMMONS. Would the opponents of that amendment agree, if it is taken up now for discussion, to fix a time to vote on it to-morrow?

Mr. SMOOT. Mr. President, I should be glad personally to do it, but I will say to the Senator that I do not believe that this particular time is the proper time to ask for it. As far as I am concerned, I do not want to say a word upon it. Personally, I am ready to vote upon it now; but I know there are still some Senators who desire to speak upon it. It seems to me that the Senator's suggestion that we were talking about a matter that was not immediately before the Senate was a very proper suggestion to make; and as I know that there are speeches—not long ones, in some cases—which Senators desire to make upon that matter to-night, I made the suggestion that I did.

Mr. SIMMONS. I suggest to the Senator that we have a vote on the amendment that is now pending. It has already been amended, and has been discussed; and there is no reason why we should not have a vote on it, I think. Then we will take up the question of whether we will skip over the intervening amendments.

Mr. SMOOT. That amendment is section 401?

Mr. SIMMONS. Yes; section 401.

Mr. SMOOT. I have no objection to that, Mr. President.

Mr. SIMMONS. Very well. Then, Mr. President, I ask that that be done.

Mr. CUMMINS. Mr. President, let there be no misunderstanding about the matter. I intend to submit some observations upon the so-called Underwood amendment. For a long time I have followed the practice of endeavoring, at any rate, to speak on the subject before the Senate, and I prefer that the bill be pursued in its regular order. When that amendment is reached for consideration I intend to be heard for a few minutes upon it.

Mr. SIMMONS. I knew the Senator felt that way about it, and I am anxious to get that amendment before the Senate.

Mr. CURTIS. I should like to have the pending amendment stated.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House disagrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 18542) making appropriations for the legislative,

executive, and judicial expenses of the Government for the fiscal year ending June 30, 1918, and for other purposes, recedes from its disagreement to the amendment of the Senate No. 62 and agrees to the same, recedes from its disagreement to the amendment of the Senate No. 58 and agrees to the same with an amendment in which it requested the concurrence of the Senate, further insists upon its disagreement to the residue of the amendments of the Senate to the bill, requests a further conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. BYRNES of Tennessee, Mr. Sisson, and Mr. Goop managers at the further conference on the part of the House.

GOVERNMENT OF PORTO RICO—CONFERENCE REPORT.

Mr. SHAFROTH. I submit the conference report on the Porto Rican bill, and ask that it lie on the table and be printed.

The PRESIDING OFFICER. The conference report will lie on the table and be printed.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9533) "to provide a civil government for Porto Rico, and for other purposes," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 13, 14, 15, 16, 19, 21, 25, 35, 36, 39, 42, 43, 81, 82, 90, 91, 92, and 94.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 17, 18, 20, 22, 23, 24, 26, 27, 28, 29, 30, 31, 34, 37, 38, 41, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 56, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 69, 71, 73, 74, 77, 78, 79, 80, 83, 84, 85, 86, 87, 88, 89, and 93, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate insert the following: "That all money derived from any tax levied or assessed for a special purpose shall be treated as a special fund in the Treasury and paid out for such purpose only except upon the approval of the President of the United States"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate insert the following: "subject to disapproval by the governor if he desires to act"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate insert the following: "and he shall perform such other duties, not inconsistent with this act, as may be prescribed by law"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate insert the following: "governor, which appeal shall specifically set forth the particular action of the auditor to which exception is taken, with the reason and authorities relied on for reversing such decision. The decision of the governor in such case shall be final, subject to such right of action as may be otherwise provided by law"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate insert the following: "and no senator or representative shall, during the time for which he shall have been elected, be appointed to any civil office under the Government of Porto Rico, nor be appointed to any office created by act of the legislature during the time for which he shall have been elected until two years after his term of office shall have expired"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate insert the following:

"That the first regular session of the Legislature of Porto Rico, provided for by this act, shall convene on the twenty-eighth day after the first election provided for herein, and regular sessions of the legislature shall be held biennially thereafter, convening on the second Monday in February of the year 1919, and on the second Monday in February of each second year thereafter."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate insert the following:

"Each house shall keep a journal of its proceedings, and may, in its discretion, from time to time publish the same, and the yeas and nays on any question shall, on the demand of one-fifth of the members present, be entered on the journal.

"The sessions of each house and of the committees of the whole shall be open.

"Neither house shall, without the consent of the other, adjourn for more than three days, nor to any other place than that in which the two houses shall be sitting.

"No law shall be passed except by bill, and no bill shall be so altered or amended on its passage through either house as to change its original purpose.

"No act of the legislature except the general appropriation bills for the expenses of the government shall take effect until 90 days after its passage, unless in case of emergency (which shall be expressed in the preamble or body of the act) the legislature shall by a vote of two-thirds of all the members elected to each house otherwise direct. No bill, except the general appropriation bill for the expenses of the government only, introduced in either house of the legislature after the first 40 days of the session, shall become a law.

"No bill shall be considered or become a law unless referred to a committee, returned therefrom, and printed for the use of the members: *Provided*, That either house may by a majority vote discharge a committee from the consideration of a measure and bring it before the body for consideration.

"No bill, except general appropriation bills, shall be passed containing more than one subject, which shall be clearly expressed in its title; but if any subject shall be embraced in any act which shall not be expressed in the title, such act shall be void only as to so much thereof as shall not be so expressed.

"No law shall be revived, or amended, or the provisions thereof extended or conferred by reference to its title only, but so much thereof as is revived, amended, extended, or conferred shall be reenacted and published at length.

"The presiding officer of each house shall, in the presence of the house over which he presides, sign all bills and joint resolutions passed by the legislature, after their titles shall have been publicly read, immediately before signing; and the fact of signing shall be entered on the journal.

"The legislature shall prescribe by law the number, duties, and compensation of the officers and employees of each house; and no payment shall be made for services to the legislature from the treasury, or be in any way authorized to any person, except to an acting officer or employee elected or appointed in pursuance of law.

"No bill shall be passed giving any extra compensation to any public officer, servant or employee, agent or contractor, after services shall have been rendered or contract made.

"Except as otherwise provided in this act, no law shall extend the term of any public officer, or increase or diminish his salary or emoluments after his election or appointment, nor permit any officer or employee to draw compensation for more than one office or position.

"All bills for raising revenue shall originate in the house of representatives, but the senate may propose or concur with amendments, as in case of other bills.

"The general appropriation bill shall embrace nothing but appropriations for the ordinary expenses of the executive, legislative, and judicial departments, interest on the public debt, and for public schools. All other appropriations shall be made by separate bills, each embracing but one subject.

"Every order, resolution, or vote to which the concurrence of both houses may be necessary, except on the question of adjournment, or relating solely to the transaction of business of the two houses, shall be presented to the governor, and before it shall take effect be approved by him, or being disapproved shall be repassed by two-thirds of both houses, according to the rules and limitations prescribed in case of a bill.

"Any person who shall, directly or indirectly, offer, give, or promise any money or thing of value, testimonial, privilege, or personal advantage to any executive or judicial officer or member of the legislature to influence him in the performance of any of his public or official duties, shall be deemed guilty of bribery, and be punished by a fine not exceeding \$5,000, or imprisonment not exceeding five years, or both.

"The offense of corrupt solicitation of members of the legislature, or of public officers of Porto Rico, or of any municipal division thereof, and any occupation or practice of solicitation

of such members or officers to influence their official action, shall be defined by law, and shall be punished by fine and imprisonment.

"In case the available revenues of Porto Rico for any fiscal year, including available surplus in the insular treasury, are insufficient to meet all the appropriations made by the legislature for such year, such appropriations shall be paid in the following order, unless otherwise directed by the governor:

"First class. The ordinary expenses of the legislative, executive, and judicial departments of the State government, and interest on any public debt shall first be paid in full.

"Second class. Appropriations for all institutions, such as the penitentiary, insane asylum, industrial school, and the like, where the inmates are confined involuntarily, shall next be paid in full.

"Third class. Appropriations for education and educational and charitable institutions shall next be paid in full.

"Fourth class. Appropriations for any other officer or officers, bureaus, or boards shall next be paid in full.

"Fifth class. Appropriations for all other purposes shall next be paid.

"That in case there are not sufficient revenues for any fiscal year, including available surplus in the insular treasury, to meet in full the appropriations of said year for all of the said classes of appropriations, then said revenues shall be applied to the classes in the order above named, and if, after the payment of the prior classes in full there are not sufficient revenues for any fiscal year to pay in full the appropriations for that year for the next class, then, in that event, whatever there may be to apply on account of appropriations for said class shall be distributed among said appropriations pro rata according as the amount of each appropriation of that class shall bear to the total amount of all of said appropriations for that class for such fiscal year.

"No appropriation shall be made nor any expenditure authorized by the legislature whereby the expenditure of the government of Porto Rico during any fiscal year shall exceed the total revenue then provided for by law and applicable for such appropriation or expenditure, including any available surplus in the treasury, unless the legislature making such appropriation shall provide for levying a sufficient tax to pay such appropriation or expenditure within such fiscal year.

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate insert the following:

"That the qualified electors of Porto Rico shall at the next general election choose a Resident Commissioner to the United States, whose term of office shall begin on the date of the issuance of his certificate of election and shall continue until the 4th of March, 1921. At each subsequent election, beginning with the year 1920, the qualified electors of Porto Rico shall choose a Resident Commissioner to the United States, whose term of office shall be four years from the 4th of March following such general election."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate insert the following: "but the legislature may consolidate departments or abolish any department with the consent of the President of the United States"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate insert the following:

"That nothing in this act contained shall be so construed as to abrogate or in any manner impair or effect the provision contained in section 3 of the joint resolution approved May 1, 1900, with respect to the buying, selling, or holding of real estate; that the Governor of Porto Rico shall cause to have made and submitted to Congress at the session beginning the 1st Monday in December, 1917, a report of all the real estate used for the purposes of agriculture and held either directly or indirectly by corporations, partnerships, or individuals in holdings in excess of 500 acres."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate strike out all of section 40 in the engrossed bill; and the Senate agree to the same.

That the enrolling clerk shall renumber the sections of the bill in accordance with this conference report.

JOHN F. SHAFROTH,
JOHN W. KERN,
MILES POINDEXTER,
Managers on the part of the Senate.

W. A. JONES,
FINIS J. GARRETT,
H. M. TOWNER,
Managers on the part of the House.

LEGISLATIVE, ETC., APPROPRIATIONS—CONFERENCE REPORT.

Mr. OVERMAN. Mr. President, will the Senator from Kansas yield to me to have the action of the House of Representatives on the legislative bill (H. R. 18542) laid before the Senate?

Mr. CURTIS. Certainly.

Mr. OVERMAN. Mr. President, I move that the Senate further insist upon its amendments and agree to the further conference asked for by the House, the same conferees to be appointed.

The PRESIDING OFFICER. The Chair is informed by the parliamentarian at the desk that the Senate can not act upon a House report in this form.

Mr. OVERMAN. I did not understand the Chair.

The PRESIDING OFFICER. The Chair will lay before the Senate the action of the House of Representatives on the legislative appropriation bill.

The SECRETARY:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
February 23, 1917.

Resolved, That the House recedes from its disagreement to the amendment of the Senate numbered 62 to the bill (H. R. 18542) entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1918, and for other purposes," and agrees to the same.

That the House recedes from its disagreement to the amendment of the Senate numbered 58 and agrees to the same with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: "Provided, That hereafter no Government official or employee shall receive any salary in connection with his services as such an official or employee from any source other than the Government of the United States, except as may be contributed out of the treasury of any State, county, or municipality, unless otherwise authorized by law, and no person, association, or corporation shall make any contribution to, or in any way supplement the salary of, any Government official or employee for the services performed by him for the Government of the United States, unless otherwise authorized by law. Any person violating any of the terms of this proviso shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than \$1,000 or imprisonment for not less than six months, or by both such fine and imprisonment as the court may determine."

That the House further insists upon its disagreement to the other amendments of the Senate to said bill and asks a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. BYRNS of Tennessee, Mr. SISSON, and Mr. GOOD be the managers of the conference on the part of the House.

Mr. OVERMAN. I move that the Senate agree to the conference asked for by the House, further insist on its amendments in disagreement, and that the Chair appoint the conferees.

Mr. POINDEXTER. This report has not yet been printed, has it?

Mr. OVERMAN. No. I do not ask for its consideration now, however.

Mr. POINDEXTER. I understood that the motion of the Senator from North Carolina was to agree to the partial report.

Mr. OVERMAN. No; this is a request for a further conference. The House rejected the report and asked for another conference. I move that the Senate agree to the further conference, and that the Chair appoint the conferees.

Mr. POINDEXTER. I misunderstood the Senator's motion. I understood the Senator to be submitting a partial report and asking for a further conference.

Mr. OVERMAN. No; the whole matter goes back to conference.

The PRESIDING OFFICER. The Senator from North Carolina moves that the Senate insist upon its amendments, grant the further conference asked for by the House, and that the Chair appoint the conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. OVERMAN, Mr. BRYAN, and Mr. SMOOT conferees at the further conference on the part of the Senate.

Mr. OVERMAN. I present the conference report on the legislative, and so forth, appropriation bill, and ask that it lie on the table and be printed in the RECORD.

The PRESIDING OFFICER. The conference report will be received and printed in the RECORD.

The conference report is as follows:

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 18542) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1918, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 5, 23, 24, 25, 32, 33, 34, 37, 38, 39, 42, 43, 44, 51, 53, 55, 59, 61, 69, and 70.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 6, 7, 8, 9, 10, 11, 14, 15, 16, 18, 19, 20, 21, 26, 27, 28, 29, 30, 31, 35, 36, 40, 41, 45, 46, 47, 48, 49, 50, 52, 54, 56, 57, 60, 63, 64, 65, 66, 67, 68, and 71, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Senate resolutions Nos. 561, Sixty-third Congress, third session, and 101, Sixty-fourth Congress, first session, are hereby repealed."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"The Bureau of Efficiency shall investigate the methods of examining and auditing claims against the United States and accounts of disbursing officers, and of accounting for receipts and disbursements and shall submit a report to the Secretary of the Treasury and to Congress, with recommendations, at its next regular session."

"The Bureau of Efficiency shall investigate the work performed by the Subtreasuries and report to the Secretary of the Treasury and to Congress at the beginning of the next regular session what part of the work of the Subtreasuries may be transferred to other offices of the Government, banks of the Federal Reserve System, or farm-loan banks, and for the purpose of this investigation the representatives of the Bureau of Efficiency shall have access to all necessary books and other records of the Government."

"The Bureau of Efficiency shall investigate the methods of transacting the public business in the Civil Service Commission and report to Congress through the President at the next regular session of Congress. The officers and employees of the Civil Service Commission are hereby directed to furnish said bureau with such information as it may require to carry out this provision."

"The Bureau of Efficiency shall ascertain the rates of pay of employees of various State and municipal governments and commercial institutions in different parts of the United States, and shall submit to Congress at its next regular session a report showing how such rates compare with the rates of pay of employees of the Federal Government performing similar services."

"Officers and employees of the executive departments and other establishments shall furnish authorized representatives of the Bureau of Efficiency with all information that the bureau may require for the performance of the duties imposed on it by law, and shall give such representatives access to all records and papers that may be needed for that purpose."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In line 2 of the matter inserted by said amendment, after the word "Departments," insert the following: "and independent establishments of the Government"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "For employees now paid from appropriation for emergencies arising in the Diplomatic and Consular Service, \$4,140"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Federal Farm Loan Bureau: For four members of the board, at \$10,000 each; secretary to the board, \$4,500; chief, bond division, \$3,000; 4 private secretaries, at \$2,000 each; clerks—1 of

class 4, 1 \$900, 3 at \$720 each, 1 \$600; clerk and stenographer, \$1,200; stenographers—7 at \$1,000 each, 4 at \$900 each, 3 at \$720 each; messenger; and 3 assistant messengers; in all, \$77,920.

"For salaries and expenses under the Federal Farm Loan Board created by the act approved July 17, 1916, including the actual necessary traveling expenses of the members of the board and such salaries, fees, and expenses as are authorized by said act, including farm-loan registrars, examiners, and such attorneys, experts, assistants, clerks, laborers, and other employees in the District of Columbia and elsewhere as the Federal Farm Loan Board may find necessary, \$182,080; in all, \$260,000. A detailed statement of expenditures hereunder shall be made to Congress.

"Estimates in detail for all expenditures under the Federal Farm Loan Bureau for the fiscal year 1919, and annually thereafter, shall be submitted to Congress in the annual Book of Estimates."

And the Senate agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the matter inserted by the amendment of the House to the amendment of the Senate numbered 58, and in lieu of the matter inserted by said Senate amendment, insert the following: " : *Provided*, That on and after July 1, 1919, no Government official or employee shall receive any salary in connection with his services as such an official or employee from any source other than the Government of the United States, except as may be contributed out of the treasury of any State, county, or municipality, and no person, association, or corporation shall make any contribution to, or in any way supplement the salary of, any Government official or employee for the services performed by him for the Government of the United States. Any person violating any of the terms of this proviso shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than \$1,000 or imprisonment for not less than six months, or by both such fine and imprisonment as the court may determine"; and the House agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 8. The Bureau of Efficiency shall investigate duplication of service in the various executive departments and establishments of the Government, including bureaus and divisions, and make a report to the President thereon, and the President is hereby authorized, after such report shall have been made to him, wherever he finds such duplications to exist to abolish the same. Report of the action taken hereunder shall be made to Congress at its next regular session."

And the Senate agree to the same.

LEE S. OVERMAN,
N. P. BRYAN,
REED SMOOT,
Managers on the part of the Senate.
JOSEPH W. BYRNS,
T. U. SISSON,
Managers on the part of the House.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 19119) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1918, and for other purposes, recedes from its disagreement to the amendment of the Senate numbered 76 to the bill and agrees to the same with an amendment in which it requested the concurrence of the Senate, further insists upon its amendment to the amendment of the Senate numbered 98, further insists upon its disagreement to the residue of the amendments, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon and had appointed Mr. PAGE of North Carolina, Mr. McANDREWS, and Mr. DAVIS of Minnesota managers at the conference on the part of the House.

THE REVENUE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 20573) to provide increased revenues to defray the expenses of the increased appropriations for the Army and Navy and the extensions of fortifications, and for other purposes.

The PRESIDING OFFICER. The Senator from Kansas [Mr. CURTIS] requests that the pending amendment be stated. The Secretary will state the pending amendment.

The SECRETARY. On page 11, after line 4, the committee proposes to insert a new section, as follows:

SEC. 401. That the Secretary of the Treasury in his discretion is hereby authorized to borrow on the credit of the United States a sum not exceeding \$63,945,460 and to prepare and issue therefor bonds of the United States, the proceeds of such bonds to be applied to the redemption on August 1, 1918, of the bonds of the 3 per cent loan of 1908 to 1918 authorized by the act approved June 13, 1898, and then maturing, such proceeds to be applied to no other purpose: *Provided*, That in his discretion the Secretary of the Treasury is hereby authorized to receive at the Treasury prior to August 1, 1918, any of the bonds of the 3 per cent loan of 1908 to 1918 maturing on such date and to issue in exchange therefor an equal amount of bonds of the United States herein authorized: *Provided further*, That the bonds herein authorized shall be in such form as the Secretary of the Treasury may prescribe, redeemable and payable at such times within 50 years from date of issue as the Secretary may direct, bearing interest payable quarterly at a rate not exceeding 3 per cent per annum, and the bonds herein authorized shall be payable, principal and interest, in United States gold coin of the present standard of value, and both principal and interest shall be exempt from all taxes or duties of the United States as well as from taxation in any form by or under State, municipal, or local authority, and said bonds shall not be receivable by the Treasurer of the United States as security for the issue of circulating notes to national banks: *Provided further*, That said bonds may be disposed of by sale or exchange by the Secretary of the Treasury at not less than par, under such regulations as he may prescribe, and in case of sale all citizens of the United States shall be given an equal opportunity to subscribe therefor, but no commissions shall be allowed or paid thereon, and a sum not exceeding one-fifth of 1 per cent of the amount of bonds herein authorized to be issued is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to pay the expenses of preparing, advertising, and issuing the same and the expenses of refunding the bonds of the 3 per cent loan of 1908 to 1918: *Provided further*, That nothing herein shall be construed as modifying section 11 of the act approved March 14, 1900, authorizing the refunding of the bonds of the 3 per cent loan of 1908 to 1918 into 2 per cent consols of the United States bearing the circulation privilege: *Provided further*, That in lieu of any of the bonds provided for in this act the Secretary of the Treasury is hereby authorized in his discretion to issue serial bonds of the United States maturing in equal amounts from 1 year from date of issue to 25 years from date of issue at a rate of interest not exceeding one-fourth of 1 per cent in excess of the rates provided for in this act.

Mr. BRANDEGEE. Is the last proviso a committee amendment?

The PRESIDING OFFICER. It is a proviso to the committee amendment.

Mr. BRANDEGEE. That the Senate has already agreed to?

The PRESIDING OFFICER. It has. It amended the committee amendment accordingly.

Mr. WEEKS. I wish to make an inquiry. I did not understand exactly the committee amendment which has been amended since the bill was presented, whether it was made mandatory for the Secretary of the Treasury to issue these bonds in serial form or—

Mr. SIMMONS. Permissive only.

Mr. WEEKS. I wish to ask the Senator from North Carolina if he does not think that the Senate should take positive action in this matter and require that the Government bonds issued hereafter should be issued in serial form.

Mr. SIMMONS. One difficulty, I imagine, would be the market value of these short-term bonds as compared with the market value of longer term bonds.

Mr. WEEKS. I have made very careful inquiry among bond men who are thoroughly conversant with the market for bonds of all kinds, and it is the universal opinion that a serial bond under present conditions sells as readily and at as high a price as a sinking-fund bond or any other bond.

Mr. SIMMONS. I think I might with propriety state that in a conversation I recently had with the Secretary of the Treasury he expressed to me the opinion that it would be difficult to float at this time a short-term bond as low as 3 per cent.

Mr. WEEKS. I am quite in agreement with the Secretary of the Treasury on that proposition. I think it would be difficult to float any considerable issue of bonds on a 3 per cent basis. If we were actually in a state of war I have no doubt that the patriotic sentiment would be such that any rate which the Government wished to place on its bonds would bring about a flotation of a considerable issue, but it is below the market rate for bonds to-day. Not very long ago the State of Massachusetts, which has excellent credit, as the Senator knows, issued, I think, five or ten million dollars of 4 per cent bonds that sold on only a 3.9 per cent basis. They were retailed on about a 3.7 basis. Since that time, since the breaking of relations with Germany, municipal and State and governmental bonds have increased in the rate of interest which they carry from one-tenth to one-fourth of 1 per cent. So I think it will be fair to say that the very best bonds issued by our State would not sell on a much better than 4 per cent basis, if any. Under those circumstances I do not think a Government bond which has not the privilege of

issuing circulation against it would sell much better than on a 3½ per cent basis.

I think that if any issue of bonds is to be made it should bear 3½ per cent interest, and then it will sell at a sufficient premium to make the net rate which it would bear a fair market rate. I am afraid that a 3 per cent rate will not go, and it would be a great misfortune for the Government to attempt to sell bonds and not have them all taken.

It is possible, of course, that this issue of \$63,000,000 might sell on a 3 per cent basis, but it certainly would not sell unless the bonds carried a provision which would enable those who bought the bonds to refund them on the same basis that future issues might be made; that is to say, we are almost sure to make other issues; in fact, this bill provides for issuing more bonds; and if we could sell this issue of \$63,000,000 on a 3 per cent basis it would be necessary to give the privilege to those who buy the bonds to refund them on a 3½ per cent basis, or whatever basis future issues are sold upon.

Mr. SIMMONS. I agree with the Senator about that; and I think that would be a very good provision.

Mr. WEEKS. I wish to say to the Senator that I have included paragraph 401 in the substitute which I have offered to the bill. If the Senator insists on taking it up now, I should like to have time enough to prepare an amendment which would cover what I think are very safe restrictions relating to an issue of bonds of this kind.

This paragraph itself, Mr. President, illustrates the carelessness and unbusinesslike way in which we have been handling our Government indebtedness. These were Spanish War bonds. They should have been retired within 20 years—that is, by next year—and yet we made no provision for their retirement, and now the proposition which came in here from the committee provides that they shall be refunded for 50 years. It is perfectly ridiculous from any business standpoint to issue Spanish War bonds running for 20 years and then refund them for 50 years, making the Spanish War debt last 70 years. That ought not to be done. I hope the Senator will be willing to allow this to be passed and let me prepare the amendment. These bonds have been redeemable ever since 1908, I understand, but the Government has not redeemed them.

Mr. SIMMONS. I will state to the Senator that I am sure the Secretary of the Treasury is under the impression that he would not at this time have any serious difficulty in floating these bonds at 3 per cent. I am sure he also feels that he could not float a short-term bond at that rate. I think, however, if the amendment the Senator suggests allowing them hereafter to be taken up when a higher rate bond is issued, provided the market of other bonds should be increased, helps the situation very much. If the Senator desires until to-morrow to prepare the amendment and will then offer it I have no objection to letting the matter go over.

Mr. WEEKS. I think it would be along the line of good legislation if that were done.

Mr. SIMMONS. I have no objection to letting the amendment go over until to-morrow in order to give the Senator from Massachusetts time to prepare his amendment.

Mr. SHERMAN. Mr. President—

Mr. SIMMONS. I yield to the Senator from Illinois.

Mr. SHERMAN. I will take up the section just read.

Mr. SIMMONS. That, however, goes over at the suggestion of the Senator from Massachusetts, if the Senator understood my statement.

Mr. SHERMAN. That it go over in the hope of attaching the amendment of the Senator from Massachusetts; but I wish to apply myself to some other features of the amendment, not only those referred to by the Senator from Massachusetts but some of the general aspects of the section.

The PRESIDING OFFICER (Mr. THOMAS in the chair). The Chair desires to make an inquiry. Is there a mutual agreement that the Senate shall recess at 11 o'clock?

Mr. SIMMONS. No, Mr. President; there is none, but I will move that the Senate take a recess—

Mr. LA FOLLETTE. Will the Senator withhold his motion for a moment?

Mr. SIMMONS. Certainly.

Mr. LA FOLLETTE. I offer two amendments to the bill (H. R. 20573), to be printed.

The PRESIDING OFFICER. The amendments will be received and lie on the table and be printed.

RECESS.

Mr. SIMMONS. I move that the Senate take a recess until 10.30 o'clock to-morrow.

The motion was agreed to; and (at 11 o'clock p. m., Friday, February 23, 1917) the Senate took a recess until to-morrow, Saturday, February 24, 1917, at 10.30 o'clock a. m.

HOUSE OF REPRESENTATIVES.

FRIDAY, February 23, 1917.

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord God Almighty, arouse within us the holy spirit of truth that we may think clearly, do justly, and follow the dictates of conscience in the abnormal conditions which confront us, arising out of the widespread clash of arms around us; that we may quit ourselves like men and leave behind us a record which we can look back upon with just pride; and Thine be the praise through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. SLEMP. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record on the subject of the location of the armor-plate plant.

The SPEAKER. The gentleman from Virginia asks unanimous consent to extend his remarks in the Record. Is there objection? [After a pause.] The Chair hears none.

Mr. ADAMSON. Mr. Speaker, I ask unanimous consent for permission to extend my remarks very briefly on the subject of making the days longer.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks in the Record. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting a short editorial from the Washington Post this morning advising the people to go slow on war; also one from the Akron Beacon-Journal, which suggests the mobilization of the editors of the country for fighting purposes. [Laughter.]

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks by presenting a resolution of the Legislature of the State of Washington in regard to preparedness and to extend remarks on other subjects in connection therewith.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 8126. An act to extend the time for the cutting of timber on the Coconino and Tusayan National Forests in Arizona; and

S. 7710. An act to amend the irrigation act of March 3, 1891 (26 Stats., p. 1095), section 18, and to amend section 2 of the act of May 11, 1898 (30 Stats., p. 404).

CONFERENCE REPORT, PAYMENT OF FINDINGS, COURT OF CLAIMS.

Mr. BYRNES of South Carolina. Mr. Speaker, I desire to call up the conference report on the bill S. 1878.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

S. 1878. An act making appropriations for payment of certain claims in accordance with the findings of the Court of Claims reported under the provisions of the acts approved March 3, 1883, and March 3, 1887, and commonly known as the Bowman and Tucker Acts, and under the provisions of section 151 of the act approved March 3, 1911, commonly known as the Judicial Code.

Mr. BYRNES of South Carolina. Mr. Speaker, the report was read on yesterday, and I would ask that the statement be read in lieu of the report.

The SPEAKER. The gentleman asks the statement be read in lieu of the report. Is there objection? [After a pause.] The Chair hears none.

The Clerk read the statement.

CONFERENCE REPORT (NO. 1514).

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1878) making appropriation for payment of certain claims in accordance with findings of the Court of Claims reported under the provisions of the acts approved March 3, 1883, and March 3, 1887, and commonly known as the Bowman and Tucker Acts, and under the provisions of section No. 151 of the act approved March 3, 1911, commonly known as the Judicial Code, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows: